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Book Reviews

Council for Social and Economic Studies

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The Journal of SOCIAL, POLITICAL AND ECONOMIC STUDIES

Roger Pearson
General Editor

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Solar Power: The Next "Great Leap Forward"

Robert C. Richardson III
Brigadier General USAF (Retired)

The U.S. Aerospace Industry is in trouble. By virtue of defense cutbacks it is losing the business that maintained it at the "cutting edge" of U.S. technology. Not only os this having a major impact on scientific and engineering employment but it is threatening the U.S. ability to maintain a leading role in commercial aerospace which, in turn. will adversely impact America's economy, balance of trade, and eventually national security. Switching aerospace from defense to commercial products will not correct this trend. This industry group is not structured to survive without major government programs. There is, however, one solution. This would be for the U.S. to take a leading role in producing and providing solar energy on a global scale. The time has come to do this. Most of the major technologies required are now in hand. The cost of finishing the research required and building and deploying the necessary space based power plants are now reasonable considering the numerous benefits to be realized. Other major powers, led by Japan, are beginning to realize this and are actively pursuing programs. Unless America shows more interest in this area than is now the case it risks losing its world power position in the next Century.

The U.S. now faces great problems. Among these are security versus proliferation of nuclear and other advanced weapons technology; maintaining technological leadership and space control in the post-cold war era; controlling immigration and population shifts; meeting a deficit by reducing government spending; sustaining employment and industrial growth; and keeping the peace everywhere. While these appear unrelated, they actually have a potential solution in common – energy. The world is slowly running out of energy. Or, at least out of affordable, non-polluting, sources of energy in the quantities that will be needed to maintain, let alone increase, the standards of living for a growing world population and thereby directly or indirectly solve most of these problems – at least temporarily.

Until now, nations sought to meet their energy and security requirements on their own or in collaboration with a few selected

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allies. As a result, standards of living now vary widely between industrialized and non-industrialized countries. This gap, exacerbated by a greater growth rate in the population of the poorer countries, is causing ever-increasing social and political problems. It is also largely responsible for increasing emigration by people in these countries to nations and areas where higher standards of living offer them greater opportunities and better living conditions.

One effect of the emigration trend, from the "have not" to the "have" countries, has been the institution of measures by the governments involved to control or counter it. Immigration at levels and rates that cannot be absorbed by host countries leads to ethnic and racial mixes that invariably bring about social tensions and conflicts. This is especially true in countries that had previously enjoyed a relatively homogeneous citizenry.

The proper way for nations with high standards of living to go about helping disadvantaged areas, peoples, and economies is not to share their wealth and environment by opening up their borders to the "poor and less fortunate masses of the world." It is, rather, by exploiting the technological and educational advantages of advanced economies to provide the less developed nations with the means and know-how to industrialize their societies and thereby raise the standards of living within their own countries while retaining their historic racial, ethnic, and national identities.

The net effect of unbridled immigration on a massive scale must necessarily be the lowering of the standards of living in the host countries to the lowest common denominator of all involved, and this is obviously at the expense of the people of those countries that now enjoy high standards.

In other words, wise governments should not open their doors, or provide money in the form of foreign aid to help others, except in extreme situations where temporary relief can only be had by outright charity. What they should do is to apply their technological and managerial talents towards developing new global resources and creating capabilities that will provide the poor areas and nations with the means to industrialize and thereby improve permanently their economies.

Industrialization is the logical solution to raising standards of living in over-populated areas. Worldwide population has passed the point where worthwhile additional land can be readily obtained through migration. On the other hand, population

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growth, occurring within fixed borders and where there are no means of accommodating it, creates social and political pressures that threaten peace and prevent the international cooperation sought by most responsible governments. Eventually, emigration of surplus populations to other planets may be possible, but for the immediate future industrialization is the logical, if not only, escape valve for overcrowded nations.

While industrialization requires education, raw materials, and some technological sophistication, it depends mainly on reasonably affordable access to energy. Even when a country has the basic raw materials it needs to industrialize, it cannot hope to extract and process these without reliable and affordable energy. So availability of plentiful power is key to improving the standards of living in the "have not" parts of the world.

Those countries that enjoy access to energy, and have a strong technological and industrial base as a result, are able to achieve and maintain high standards of living for their people. Conversely, those without energy have been steadily losing what little standards they were able to maintain in the past. The result of this has been to create tensions and discontent on both sides.

In simple terms the problem that those who want peace and prosperity on earth now face is how to close the energy gap. Solving this problem would obviously do more towards achieving most national goals, including those of the U.S., than all the economic and social theories, and political proposals, advocated by politicians and academics.

Common sense suggests that worldwide peace and prosperity will not be achievable until there is a rough leveling of standards of living among nations. Achieving this through open border policies leading to major geographical shifts in populations should be unacceptable to those better-off societies whose current standards would obviously be reduced as a result. Recent attitudes in California on Mexican immigration attest to this. A better solution is to help the poorer countries and economies industrialize. This would provide on-site employment for people who would otherwise emigrate. It would also enhance the world trade prospects of the poor nations.

The "keystone" of industrialization is energy. While obviously other ingredients will also be necessary, such as raw materials and know-how, providing affordable power in sufficient quantities is clearly the first step.

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In the case of the U.S., this means diverting at least a part of the billions in fiscal or end-product aid that now goes to third world areas and applying this money to developing new, global, energy sources which would eventually allow these to industrialize and thus become somewhat self-sufficient. Some will no doubt argue that this would be shifting foreign aid into U.S. high technology and energy research, and is hence self-serving. One answer to that is that giving financial aid in order to make it possible for the recipient to buy U.S. wheat or other products is even more self-serving. This traditional self-serving approach is nothing but an agricultural subsidy that launders the money enroute without solving the initial recipient's basic problem.

What all this suggests is that the more advanced and better off countries should initially concentrate more of their foreign aid on the development and provision of energy.

Providing Energy on a Global Scale

Technological progress in the collection and transmission of solar energy, and in associated space systems, has reached the stage where a bold, U.S.-led, program could provide not only America but the entire world a new, safe, plentiful, and relative inexpensive source of power. The costs of doing this need not be excessive and the benefits of doing it are obvious.

Access to energy should not only relieve the growing pressures for aid and immigration in Third World nations, but the development of energy is the logical way to shift the high technology, defense-based, aerospace industries of America into a non-defense field of activity compatible with their expertise and capabilities. There are now good reasons for doing this.

From a selfish U.S. point of view, the fringe benefits of accomplishing this would include: (1) affordable U.S. security for the foreseeable future, (2) a major alternative to cold war defense employment and production, (3) additional U.S. jobs and overseas markets, and (4) assured U.S. worldwide leadership in technology. These, alone, are worth the investment even if it did not also further peace and stability by making it possible for the "have not" countries to raise their standards of living through industrialization.

This is an all-win, no-lose way to go. All it now takes is a little understanding, imagination, risk-taking and leadership –

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qualities that are admittedly in short supply in government today.

The world energy problem needs no explanation. Most nations are now dependent on fossil fuels, coal and oil, for heat and electricity. Worldwide supplies of fossil fuels have been declining as known deposits are extracted and exploited. Access to these, even where available, has become both costly and politically unreliable.

All Americans remember the "oil shock" of October 1973 and subsequent 1990/91 events in the Middle East in which access to oil played a role. No one really believes that had not the Middle East been the repository of much of the oil the industrial world depended on, America would have led the effort it did to keep its control out of the hands of Saddam Hussein – using "save dear little Kuwait" as the excuse.

A logical conclusion from these events is that if the major powers will go to war to protect their access to energy, other nations lacking it will do the same if and when they acquire weapons that might make this profitable. This last thought suggests that we can add the prevention of proliferation of missiles and atomic weapons to our list of fringe benefits from the development of new sources of energy.

Fortunately, there are two well-known alternatives to fossil fuels for the large-scale generation of electricity. One is derived from atomic reactions and the other involves extracting heat from the sun.

Nuclear power has been pursued by many of the technologically advanced nations for two or more decades. While it is a practical and cost-effective alternative to oil and coal as a source of electrical power, its unsafe features are outstanding. These include massive threats to the environment from mishaps and the ability to produce material needed for atomic weapons as a fringe benefit.

Although research has long been underway on a fusion variant of atomic energy that would, allegedly, eliminate these undesirable characteristics, its availability is decades away at best. And even if and when available, the costs involved will certainly be as high if not higher than those for today's fossil or atomic sources. In addition to the built-in dangers of exploiting any nuclear systems, the safe operation and maintenance of any nuclear facilities require a high degree of sophistication among designers and operators that cannot be found in many of the societies that most need the energy. This situation leaves solar power as the best

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of the two available alternatives at this time.

The Solar Power Solution

Solar power has been studied for many years as a potential source of cheap, unlimited, energy. While ground-based receivers that can transform sunlight into modest amounts of electricity are now in use for special purposes, the ability to collect it in substantial amounts on the surface of the earth is limited both by the atmosphere and by the night-and-day cycle. Both these limitations are eliminated when solar energy is collected in space. The problem here, however, then becomes the construction and deployment of the space-based collection systems and the subsequent transmission of the collected energy to users on earth.

Qnce technology opened up access to space in the late 1950s, interest in exploiting the sun as a source of power led to its use to provide energy for satellites and other space-based vehicles. In 1968 Dr. Peter Glaser proposed the use of satellites to collect and transmit solar power to earth. In the 1970s, NASA and U.S. Department of Energy (DOE) studies examined the question of collection and transmittal and varying solutions, and formal U.S. involvement was terminated when in 1980 a National Academy Committee that reviewed the NASA/DOE study recommended the project should be shelved until more cost effective solutions could be developed.

Twenty years ago, the overall cost of even a prototype solar power system would have been in the $70 billion range, and the National Academy of Sciences Committee that reviewed the earlier DOE study recommended the project be shelved until more cost-effective solutions could be developed.

In 1980, the U.S. ended its government funding for any development or further evaluation of Solar Power Satellites (SPS). At that time, the Middle East oil crisis was over and fossil fuel was again more than adequate, at least for America's needs. While deferring SPS research was understandable given the U.S. energy situation, the available space technology, and higher priority demands on available funds at that time, the failure to continue researching Wireless Transmission of Power (WTP) was a mistake. Its feasibility had been demonstrated in the 1960s when the USAF kept a helicopter in flight with energy transmittd by microwave, and the cost of a modest sustained research effort would have been

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relatively small. But this was not done.

In simple terms, the main collection problem lies in the size and cost of the solar power satellites (SPS) that will be required and in the transmittal of the power from these back to earth. A lesser, though important, problem from the cost point of view is the transportation into space of the systems or assemblies that will be needed there. These are the three basic "building blocks" to the provision of unlimited, inexpensive and ecologicaly benign solar power for all nations.

Today, thanks to technological progress, great strides have been made in solutions to all these problems. New, self-annealing, solar energy cells developed in the early 1980s have greatly reduced the size and upkeep costs of SPS systems; studies and experiments in the wireless transmission of power (WTP) have demonstrated the feasibility and relatively benign nature of microwave systems; and most recently the likely near-term availability of a new family of Single Stage To Orbit (SSTO) space transportation systems promises to reduce the cost of doing things in space by some two or more orders of magnitude. A new look at the 1970 findings is now clearly indicated.

A Job For America's Aerospace Industry

It is obvious that the sector of the U.S. economy that would most benefit from a major U.S. effort to harness solar power would be the Aerospace Industry.

America's Aerospace Industry has been the principal driver of U.S. technological progress and worldwide technological leadership ever since WWII. The two arenas in which this has taken place are aeronautics and space activities. The time has now come for America to exploit this unique capability to collect and distribute the sun's energy and to reap the many benefits the U.S. could derive by doing this.

Since the demise of the Cold War, U.S. technological leadership has become an increasingly important national security requirement. At times when major threats to national security are not obvious, a high level of technological progress provides the best assurance of being able to respond in timely fashion to new threats that may arise. The U.S. Aerospace Industry has been the sole source for much of this progress and cannot be safely disbanded despite the demise of the Soviet threat.

The ability of governments to identify foreign technology

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breakthroughs in potentially threatening weapon systems also depends upon their ongoing level of research in the disciplines involved. Initial intelligence of foreign classified research efforts is invariably meager and ambiguous. When this intelligence first surfaces, only those having scientists and engineers working in the technologies concerned are likely to recognize what the potential opponent is up to and the threat it might pose.

In addition to the importance of technological superiority to U.S. security, U.S. leadership in technology will be a major factor in maintaining America's economic health and a sound world trade position. Development of jet aircraft made the U.S. the leading supplier of commercial transports for a decade or more. The efforts to develop ICBM's, military space systems, and to put a man on the moon all generated large numbers of new commercial products, business opportunities, and income that contributed to our standard of living.

Both U.S. technological leadership and the economic and security benefits this has brought the country are now in jeopardy. The reductions being made in defense and NASA budgets have all but eliminated major new technological initiatives, with remaining funds being diverted, of necessity, to keeping existing systems going.

America's Aerospace Industry, which gave us successes like Apollo and the Space Shuttle, must now find a new "raison d'être," or many of the companies it consists of will go out of business to the detriment of the U.S. ability to maintain an effective level of advanced research and development, let alone worldwide technological leadership.

Most Aerospace corporations are now fighting one another while lobbying the government for the crumbs remaining on DOD's and NASA's table. There is no longer enough to go around and what is likely to remain available will only feed a small percentage of the efforts and capabilities that kept the U.S. a leader in advanced technology over the past few decades.

One is reminded of sheep fighting each other over the few remaining clumps of grass on a range that is drying up and where only small local showers (government requirements) keep any of the formerly lush pasture alive. America's Aerospace Industry is slowly becoming an endangered species. Unfortunately, all too many people associate aerospace with the military and warfare and,

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being unaware of its economic and technological contributions, welcome this trend.

The national interest clearly calls for a solution to this situation. The question is what it should or can be. Is there a viable, affordable, and politically salable solution? The answer is yes, provided it is understood and pursued.

A major U.S. program to develop solar energy sources would more than replace Aerospace job and income losses resulting from the demise of the cold war. It would also drive cutting-edge progress in almost all aspects of technology, thus insuring world-wide U.S. technological leadership, global markets, and readiness to respond to or deter almost any conceivable threats. And the cost of doing is not prohibitive, while the potential benefits to the U.S. and mankind as a whole are staggering.

The logical solution is for the Aerospace Industry and its supporters to move to new, and potentially lush, pastures instead of fighting over what's left of the old ones. This could be a valid and acceptable solution, provided the new pasture is truly "new" – that is, that it is not already occupied by and supporting commercial activities that aerospace would be displacing or competing with.

Fortunately, there is such an opportunity in exploiting advanced technology and space know-how to meet the world's growing need for energy. Not only is this a lush, new, non-military, pasture, but one whose exploitation can address a multitude of world problems, including such apparently unrelated ones as growing third world population pressures and poverty. Doing this would also meet the Clinton Administration's desire to see industries and jobs, whose survival is threatened by either the U.S. deficit or terminations of the cold war, find work in the civil sector.

The problem with converting defense and space industries into civil pursuits has been that other manufacturers are already providing for most existing civil market requirements. Aerospace conversion has also been limited by the fact that the characteristics of most Aerospace companies differ rather extensively from those of industry groups that provide primarily goods and services to the private sector.

Most Aerospace companies have always been largely dependent on the government as their principal client. They are accustomed to working on million, if not billion, dollar, multi-year, contracts

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and their characteristics reflect this. This is especially true in such areas as: percentages of income derived from R&D versus production; numbers of scientists, engineers, and analysts vs. blue collar workers on their payrolls; and in marketing numbers, expertise, and procedures required to sell to private buyers as compared to government. Suffice it to say that the record of successful conversions from aerospace products to purely civil use products has, historically, not been good.

Today there is a potential exception to this, and the time is ripe to introduce it. Not only is there a growing need to provide inexpensive and plentiful energy in order to raise the standard of living in the third world, and reduce population and "lebensraum" pressures, but the technology is ripe to do this in the relatively near term. This technology is wholly compatible with the experience and capabilities of the Aerospace Industry.

The provision and distribution of unlimited, low cost, energy could be the new, high technology, pasture of the Aerospace corporations by the turn of the century. Success in pursuing this goal by U.S. corporations would not only meet the conversion aspirations of the President but also fit the characteristics of this specialized industry group. The economic potential and benefits to the nation, or nations, that do this are almost unlimited. And there is plenty of work to go around, and no need to fight over it.

Shifting the primary role of most Aerospace corporations from weapon-system development to energy should be relatively simple. The customer to start with would obviously be the government - probably the Department of Energy (DOE) or NASA. The balance of basic and advanced research, development, and engineering people required should roughly equate to what these corporations now employ to meet U.S. defense and space programs, and the talents are similar. The management talent for multi-billion dollar, long lead-time, global-scale systems and efforts is similar to what they have been doing for the past twenty years or more. This job would clearly fit the Aerospace Industry's "pistol."

The Major Building Blocks

The "umbrella" technological goal with the greatest potential pay off for the U.S., if not the world, should be to build and deploy a capability to provide solar energy to any nation on earth that needs it to industrialize. This is obviously a long-term project,

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but much of the technology is now in hand and it could be done within a decade or two. Japan has already set a leisurely goal for the deployment of its first Solar Power Satellite (SPS) of 2040. A dedicated U.S., or U.S.-led international, effort should be able to cut that time in half.

The work to be done to give the world plentiful and affordable energy in the next century can be sub-divided into essentially three major sub-areas or "building Blocks":

> (1) Developing and demonstrating the ability to transmit power in useful quantities without wires or other physical connections. This is referred to as Wireless Transmission of Power (WTP).
>
> (2) Collecting energy from the sun in space or on the moon and converting it as necessary for WPT to earth. This involves the building and deploying of collection satellites or power stations, and of "rectenna farms" on earth to receive and distribute the energy once transmitted.
>
> (3) Developing the ability to accomplish the above in an affordable manner. This involves building acost effective transportation system able to carry cargo and laborers from the ground into space.

The Transmission Building Block

Since the wireless transmission of power (WPT) was obviously a key element in transmitting solar energy from space back down to earth, the Japanese, along with a few private sector and university researchers in the U.S. and other countries, concentrated their efforts on this problem during the past few years. The majority of these efforts involved studies and experiments on microwave power transmission. Significant progress has already been made, much of it overseas.

Global electric power production is currently about a one-trillion-dollar-a-year market. It has been estimated to be the largest market on earth. The ability to transmit power without land lines and attendant losses, obviously an essential element of any space-based solar collection system, would also make it possible to relay power on earth not only from point to point but to moving vehicles, aircraft and ships, or to remote countries and areas, either

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directly or by bouncing it off satellites.

Examples of commercial opportunities for WPT include such diverse applications as: Charging the batteries on electric vehicles while they travel; maintaining aircraft and other airborne platforms at high-altitude locations for cellular phone applications or other communications or surveillance uses; relaying power from natural sources or advanced fossil and nuclear plants to remote third world countries unable to afford to maintain their own sources; reducing the need for high tension lines, nuclear waste disposal, and other undesirable elements in today's power production and distribution; and in resolving some of the ecological, health, transmission waste, and other concerns associated with many of today's major sources of energy.

Although the public utilities industry, and their suppliers, will undoubtedly have a role in the distribution of solar energy once it has been transmitted to the receiving antennas on earth, designing, building, and deploying the collection and transmission systems from space to earth, or even for point-to-point wireless transmission using satellite relays, will require the know-how and capabilities of Aerospace corporations.

It is now fair to say that wireless transmission of energy in a safe and cost effective way has been demonstrated. While development work remains to be done before we can transmit energy in commercially usable quantities, this is no longer the "long pole in the tent" when it comes to exploiting solar power.

The Energy Collections Building Block

Numerous studies have been made of the structures required to collect the solar energy and transmit it to earth. There are no substantive technological limitations to doing this other than those obviously associated with building, deploying and assembling large structures in space or on the moon.

I mention on the moon, because some studies, and advocates of solar power, consider that it could turn out to be more cost effective to make the collection on the surface of the moon rather than on a satellite specifically built and deployed for this purpose. The answer to this is a combination of the time-frame dictated by other considerations, coupled with whether or not separate U.S. programs are initiated to develop a lunar base capability.

The early 1970 proposals, and those with the earliest possibility

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of realization, assume that building a base on the moon is propably further in the future than developing and orbiting a solar power satellite collection facility. The Japanese have selected a date of 2040 for their first satellite solar power plant (SPS); and, given present funding and attitudes towards large space programs, adequate occupation of the moon so as to use its service at any earlier date seem highly unlikely.

The bottom line here, however, is that the space-based satellite power plant designed to efficiently collect, concentrate, and transmit energy to earth is more dependent on space transportation capabilities and the physical assembly of the facility than it will be on any need for new technologies. The principal limitation here, given the present state of the art in all required building blocks, is with the cost of transportation from earth to space. Numerous designs for the stations have already been proposed, and removal of the cost problem would leave largely a selection problem for this building block.

The Space Lift Building Block

Another building block essential to a commercially viable SPS program, and also neglected by government in the 1980s, was the development of a cheap, safe and reliable ground-to-orbit transportation vehicle. Relying on rockets and shuttles to go to space has meant accepting costs between $4500 and $9000 per/lb. for people and cargo. With this built-in price tag, the maintenance and construction of large structures in space, such as solar power collection and transmission satellites, becomes prohibitive.

For the past 15 to 20 years there has been no real reason why these costs have had to be so high. In the late 1950s a combination of technology and cold war considerations led to the modification of rockets that were initially designed to be military munitions – bullets – into transportation systems or major components thereof. In brief, we copied the Soviets, put saddles on our ICBM's or strapped variants of these on Shuttles, and called them Launch Vehicles. Since munitions were never designed to be either safe or recoverable once fired off, the whole vehicle in case of rockets, and large sections in the case of Shuttles, have always been expendable.

It does not require much imagination to understand why expendable and unrecoverable systems are so costly. If one fills a 747 with people in New York, flies it to Los Angeles, bails out the passengers and throws the aircraft into the Pacific ocean, travel on

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it costs about $390,000 a seat. One should add to this the fact that should one engine quit or even hesitate on take-off the vehicle is bound to crash. Given this possibility, its users, passengers and operators would demand gold platting and perfection in every component.

Not only do these characteristics add to the cost of space travel, but the lack of safety inherent in using modified munitions instead of vehicles designed to be transports created a massive requirement for people and facilities to assemble, test, inspect and supervise every aspect of their assembly and flights. The Shuttle fleet has about 13,000 people on its payroll to launch only four Shuttles, and these only a few times each year. Expendable Launch Vehicles (ELV's) require some 5000 people to conduct their launch operations. As a comparison, the U.S. commercial air fleet operates with about 143 people per aircraft, including ticket takers. The USAF SR-71, Blackbird - a more intricate vehicle than any ELV –only requires about 500 people for its operations.

In simple terms, the vast differences in costs between hauling people, pigs or cargo a couple of hundred miles straight up into orbit, versus thousands of horizontal miles in the air, can be attributed to a combination of the throw-away aspects of the space transports and the Field Army of people required to operate them due to their high-risk characteristics.

Both space and aeronautical engineers have known for years that were vehicles designed from scratch for safe, reliable, and relatively inexpensive transportation from ground to low earth orbit (LEO) – or beyond – reductions of several orders of magnitude could be made in the cost of going to and from space. A few, such as Dr. Maxwell Hunter, the designer of the Thor Rocket, came up with the basic designs for such transports over ten years ago, And some private entrepreneurs, such as Gary Hudson of Pacific American, actually tried to build such transports using non-government funds. So why are such transports not available today?

The reason these have been so long in coming, while partly technological, is mainly the story of the inherent resistance to change in any large bureaucracy. People and organizations on the whole resist the adoption of new ways of doing anything that they are involved in. They welcome improvements in the systems - hardware - they designed, built and operate. But when progress

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calls for doing the "job" in a different way, footdragging is inevitable for the obvious reason that any "new approach" makes the old systems it displaces obsolete.

The people involved in these see it as a threat to their expertise, their reputations, their careers, and even their jobs. The new space transports proposed by the Hunters, Hudsons and others, if adopted, would replace the 13,000 civil servants it now takes to operate the four-Shuttle NASA fleet for an average of less than 10 flights per year. When such a situation occurs, it is normal for all those involved in the old way of doing the business to deprecate or sabotage the proposed new way. The best one can hope for are those who say: "I know you're right; it is in the national interest, but - please - can't you put it off until I retire?"

Fortunately, the space transportation problem is close to a solution. Innovations and new approaches are historically resisted only so long as the adverse consequences of footdragging exceed the importance of getting on with the job at the expense of these. Access to space is a classic example of this.

In the post-cold war era, America must maintain a leading role in space, and this regardless of costs or deficits. National security as well as world trade and long-term economic considerations demand this. Over 50% of today's commercial lift is being orbited by the French Ariane. The only way the U.S. can recover a leading position in this market is with a great leap forward in transportation vehicles and their cost and performance. No amount of upgrading of existing munition-derived lift systems (ELV's or Shuttles) can hope to achieve this. Even the Russians and Chinese can upgrade these as fast or faster than we can, and at far less cost.

If America and other major nations are to maintain their standards of living in the next century, a steady increase in the use and exploitation of space will be a major factor. For the U.S., it won't happen until and unless free enterprise takes a leading role. Our economic well-being has always depended upon the private sector, and developing space should be no exception. But this cannot occur due to what it costs today to go from earth to low earth orbit (LEO). Nor will it occur so long as government monopolizes access to, and activities in, space. Most now recognize that the time has come to open up space to the private sector. The alternative is to surrender both the control and economic exploitation of space to foreign competitors.

Any nation who seizes control over access to space can domi-

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nate the world from a military point of view. Likewise, should any nation seize control over the ability to collect and distribute unlimited solar energy from space to earth, it could easily parlay this into domination of most other nations' political and economic activities.

Fortunately, the U.S. now has a leg up on acquiring a new family of space transportation systems. These can not only be used to recover worldwide lift markets, at least until others can match them, but also to move forward alone or with selected allies to solve the world's energy problem with solar power. None of the other energy options can do this in the near term and none of those being pursued offer equivalent advantages even if they could.

Affordable Access Now At Hand

In the late 1980s, a series of disparate groups and individuals teamed up with the engineers and scientists who said that an airplane-like transportation capability could now be built. The vehicles they envisioned were all to be single stage to orbit (SSTO) and return systems that would be re-usable without modification and could accept all but catastrophic failures and safely abort or proceed on their missions. It was apparent that by giving these the basic characteristics of commercial aircraft in lieu of those of military rockets, a great saving in both building and operating costs could be realized.

Most major American aerospace companies had, from time to time, examined and proposed various space transport systems with some or all the above characteristics, so this was not a case of re-inventing the wheel. The problem was more one of getting the funding to actually demonstrate that this could be done, than one of developing new technologies. Aerospace's principal clients, NASA and the Defense Department (DOD), evidenced little or no interest in paying for these for the reasons outlined above. The private sector, which had the most to gain from their development and from the inevitable opening up of space to free enterprise that this would likely lead to, was unwilling to risk the sizable funds without an answer to the question: "If it is so good and feasible, why are NASA or the USAF not building these?"

Fortunately for the U.S., the end of the cold war, and the massive U.S. deficit, allowed and demanded economies in all costly aerospace programs. Concurrently, the growing loss of the

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space-lift business to the French Ariane, China, and possibly Russia called for a radically new U.S. system – or acceptance of the economic consequences. Meanwhile, space buffs, societies, and several private political pressure groups such as High Frontier and the Pournelle Citizen's Advisory Council on Space Policy teamed up to get government sufficiently involved in a new approach of the SSTO variety to answer the above question, make some classified technologies available, and underwrite front-end costs and risks, even though neither NASA nor the USAF had established a "System" requirement for their own use.

Over the past four years, the above, unholy alliance of interests and political action efforts led to getting the Strategic Defense Initiative Office (SDIO) to invest in, at minimum, validating the various concepts. SDIO saw a need for cheap, quickly available, lift into space not only for their tests of anti-missile systems, but to deploy the hundreds of satellites some SDI architectures called for.

SDI had a need, and was not made up of people whose existing way of doing the space lift business would be jeopardized. Their involvement in 1991 generated both an understanding of the possibilities and advantages of the SSTO system and a major internal bureaucratic fight which they won. The first experimental space transport designed with all the above characteristics made its first flight from White Sands New Mexico on the 17th of August 1993. This was a scaled-down model of the ultimate goal, built by McDonnell-Douglas and called the DC-X or Delta-Clipper. It is the DC-1 or 747 of space and it looks exactly like what Jules Verne in the late 1880's and Robert Heinlein in the 1950's and 1960's predicted in their science fiction writings.

With the advent of the DC-X, the steady decline in defense business, and the loss of overseas lift markets to Ariane, if not to the Russians and Chinese – plus potential cost savings to U.S. space programs – opposition to the SSTO development has declined in both Congress and the Administration. And, from the point of view of obtaining solar energy in adequate quantities to industrialize all nations, the inevitable follow-on transports now made possible by the DC-X demonstration will make the cost of deploying and maintaining power collection satellites in space acceptable in light of the benefits to be derived from doing this.

In brief, the principal building blocks are now all on the table. The problem is to pull them together and develop and deploy a practical system to deliver solar energy to earth early in the next

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century. If the U.S. does not do it, Japan and other nations will. They have already made plans to do this and are well on their way. The question is: "Can the U.S. afford to let this happen?"

Since the early 1980s, Japan has pursued a major program on various application technologies associated with the exploitation of solar power. Given Japan's dependence on foreign oil, and its historic antipathy to nuclear matters, their scientists were quick to recognize the possibilities in solar power.

Japan, today, is embarked upon just such an effort. Outright surrender of the solar energy business to foreign development, let alone management and control, should be unacceptable to all Americans.

Going About Doing It

Under the U.S. form of government, public attitudes largely determine public policy. The responsiveness to public opinion by the Congress and administrations alike is such that if the U.S. public believes that plaster causes cancer laws will be passed to prevent its use in homes – whether or not the perception is based on scientific fact. This is not to pass judgment on whether this makes sense, but only to state a fact of life.

The President, the Administration and the Congress would all like to see the conversion of industries made obsolete by the end of the cold war into developers and producers of commercial products and services. They also want to save jobs. Their first priority is now to improve the economy in order to decrease unemployment and increase the sources of revenue.

All know the precarious nature of the long-term availability of energy. Most experts also recognize that only economic growth creates the standards of living that can solve problems such as over-population with its emigration pressures, poverty, and immigration implications. Improving economic conditions can also reduce the need for Third World economic aide, help prevent the proliferation of atomic weapons, and reduce the prospects for local wars.

The problem now is that the American public is wary of multi-billion dollar government high tech and space projects. These have been related for too long to national security considerations. So long as this attitude prevails, elected officials are not likely to embark on a major new solar energy program.

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Projects like Apollo which were enthusiastically supported for prestige rather than economic reasons at the time are just not salable in today's political and economic environment. On the civil technology side, the Space Station will very likely be terminated by Congress for lack of public support. It survived the 1993 budget cycle only for employment reasons.

What is now called for is an effort to acquaint the American people with the unbelievably large and diversified benefits that would be derived by a major American program to develop solar energy sources and the related wireless transmission of power. The opportunity is here and the technology is at hand.

Either the U.S. takes the lead in doing this or others will, and to the detriment of our long-term economic well-being and security. The Administration wants to boost the economy and save, if not build, jobs; the Defense Department will certainly support saving the Aerospace Industry; NASA and DOE should love a large, well-funded, and popular program to turn their laboratories on; and those concerned over nuclear power, ecology, the future of the Third World, and maintaining the U.S. standard of living should welcome efforts to acquire relatively economical energy in almost unlimited quantities.

The problem is to get a public understanding of the fact that this can now be done, and of all the benefits people will directly derive if it is done. This calls for an educational effort in which Aerospace could and should be one of the leaders, if not the instigator. Instead of fighting among one another for the crumbs left on the cold war table, a coordinated effort to get public support for a whole new high tech banquet with unparalleled potential benefits for the civil sector is now in order.

Getting the extent of public understanding and support, if not a vociferous demand, for the pursuit of solar energy will require a two-phase approach.

The first phase is to educate and get on board all those companies and individuals, scientists, engineers, and workers, who would benefit from this. This will require the understanding and cooperation of aerospace and related industry leaders. This phase should be a collective effort designed to get those most directly involved to understand and to communicate the importance to the U.S. and to the public at large of pursuing solar power.

The second phase will be to carve up the work in the classic American competitive manner and address the problems associated

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with realizing these benefits. This phase, however, must not be allowed to interfere with the primary collective umbrella effort to build a U.S. constituency that will give the Administration and Congress the backbone, if not the political motive, to initiate and fund the effort.

In today's environment, the elected officials and bureaucrats will not act without public support on a program such as solar power. Unfortunately nowadays, getting re-elected is more important than common sense. As a result, a few naysayers can defeat even logical, national interest programs, unless these have the backing of a knowledgeable constituency.

The important thing here is to focus on the first phase, where there should be no real competition among the participants. All seek the same goal – government recognition of the feasibility, national interest advantages, potential returns, and public support for positive action. Only when this has been achieved will it be time for individual squabbling over both the technological approaches to be adopted and over who gets the caviar and who gets the mayonnaise in the subsequent productivity banquet.

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The European Economic Area

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From Bilateral Free Trade Agreements to a Multilateral Integration Treaty

On May 2, 1992 the twelve member states of the European Communities (EC) and the seven countries of the European Free Trade Association (EFTA), Austria, Finland, Iceland, Liechtenstein, Norway, Sweden and Switzerland, signed the Agreement on the European Economic Area (EEA) in the Portuguese city of Porto.[1] Thereby they undertook to create the largest trade area in the world, comprising roughly 40% of world trade for some 380 million people. This act has been termed the end of an "endless story";[2] whether it really is an end is yet to be seen, since the formal signing of an international treaty only terminates the negotiating phase and certifies the authentic treaty text. Many problems have arisen since then, especially with regard to the integration of the monetary system, and problems regarding ratification have arisen in certain cases. In order for the treaty to enter into force the legally more relevant act of ratification by each contracting party had to follow, and this has led to various modifications. The ratification by countries like Switzerland and Liechtenstein - which had scheduled referenda on that issue for late 1992 - was uncertain from the beginning. After the negative vote of the Swiss population in December 1992, negotiations were started to save the EEA without Switzerland. The political will of the governments of the other EC and EFTA states seems firm, and at present they seem determined to go through with the the basic goals of the EEA agreement.

Whether the "planned marriage" between EC and EFTA will take place and whether it will last still remains to be seen.[3] The "engagement" has been announced and it seems worthwhile to take a look at this remarkable "love story" and to ask how it came about.

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European Integration

In the late 1950's the idea of European econoic and political integration gained momentum. The birth of the two most important "supranational" economic organizations in Europe, the European Coal and Steel Community (ECSC) and the European Economic Community (EEC) were not only founded for economic reasons. Their "Founding Fathers" intended them to be a first step toward wider political integration. The main concept was that a high degree of economic integration – especially on the strategically important coal and steel sector – would render any military confrontations between them impossible.

Integrating commerce and trade was originally only a means of ensuring peace and security in Europe. In the 1960's and 1970's the partners in the EC integration process seemed to have postponed their former plans for political union. Economic integration, the removal of all trade barriers and the creation of a common system of competition guaranteeing identical conditions for all market-participants became the core issues aimed at first establishing a common market within the EC.

While preparations were being made to implement this plan by December 31, 1992, the date set by the EC Commission to finalize the internal market, the "visionaries" within the EC were already anticipating the next step(s). In 1986 the EC Member States amended the Treaty of Rome by signing the Single European Act with the intention "to transform relations as a whole among their states into a European Union"[4]. By negotiating and signing the Maastricht Treaty in December 1991, the planned political union between the EC countries was brought closer, despite strong oppostion in many of the countries concerned, and hair-line votes in others. In France, a referendum approved the measures by the slimmest of margins, despite massive government lobbying for proposed union, and in Britain the three major parties all agreed amongst themselves not to hold a public referendum on the question of political union, believing that the proposal to abandon national sovereignty would be rejected if the people were consulted.

EC-EFTA Relations

The governments of those Western European countries which are not members of the EC did not want to stay aside

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completely. Not joining the Community for political or economic reasons, they formed their own counterpart, the European Free Trade Association (EFTA) in 1960. This "traditional" international organization – with no supranational elements – has retained its "provisional nature"[5] for more than three decades. Since the beginning, it operated as a plain regional trade organization with two basic policies: leaving to its members the option of joining the Communities, and aiming at a free trade area between its member countries and the EC. Both were "successful": Great Britain, Denmark and Portugal switched sides by becoming EC members. In 1973/74 bilateral Free Trade Agreements (FTAs) were concluded between the EC and the EFTA countries.[6]

Those FTAs primarily aimed at liberalizing trade in industrial goods, but they also contained several antitrust provisions and rules concerning state subsidies, which caused major controversies since it was not clear whether they should have been understood as undertakings of the FTA member states to be implemented by them or whether they should be applied directly.[7] More important for EC-EFTA relations, those bilateral treaties regularly included so-called "evolutionary clauses"[8] providing for a widening of co-operation also in fields outside the genuine trade matters not covered by the FTAs and which could be invoked by any of the contracting parties, if they considered such an enlargement of co-operation in their common interest.[9]

Negotiating the EEA Agreement

In the following years, even if not formally invoked, that "evolutionary" invitation was taken up by both sides and the network of co-operation between EC and EFTA increased substantially.[10] Matters of energy, insurance, public procurement, state subsidies, consumer protection, research and development, trade in non-industrial goods (primarily agricultural products and fish), transport, and environmental protection became subjects of either formal bilateral treaties or of informal exchanges of information.

Luxembourg and its Follow-Up

This process lasted for about a decade. Although it resulted in a strong intensification of co-operation between the two trading blocks, it produced a rather confusing net of bilateral (and often slightly differing) economic relations. To replace this net by a

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homogeneous economic area and to manouver further toward integration, the idea of creating a "European Economic Space" was first raised in 1984.[11] It was touched upon in the Luxembourg Declaration by EC and EFTA members, which vaguely referred to deeper and emore extensive co-operation in all fields of common interest. To this end some thirty EC-EFTA working groups were set up in order to investigate subjects of common interest.

The so-called "Luxembourg follow-up", however, proved to be burdensome and slow, disappointing the EFTA proponents of closer integration, who felt neglected by the EC since the Community openly accorded priority to achieving and completing the EC internal market by 1992.[12] It did, however, produce some remarkable results in particular areas, such as simplifying rules of origin and border controls, reducing technical barriers to trade, and improvements in the fields of state subsidies, public procurement, intellectual and industrial property.

The Delors-Initiative

In retrospect, the Delors speech to the European Parliament in 1989 brought the necessary new impetus to EC-EFTA negotiations in order to achieve the task set by the Luxembourg Declaration. The President of the EC Commission made a new offer to the EFTA countries envisaging a "more structured partnership with common decision-making and administrative institutions to make our activities more effective and to highlight the political dimension of our co-operation in the economic, social, financial and cultural spheres"[13]. This initial Delors proposal put forward the idea of a common economic space based on two pillars, the EC and EFTA, where the internal market which was due to be completed by the end of 1992 within the Community should be enlarged by the EFTA states. The prospect of the finalization of the internal market programme in turn stimulated the EFTA states to pursue the EC offer eagerly since they feared an aggravation of discriminating effects on the EC-EFTA trade by the establishment of Community-wide true single market conditions. Already in March 1989 the EFTA heads of government reacted positively and offered to initiate exploratory talks.

The call for a "more structured partnership" led to "great expectations"[14] by the EFTA countries, who felt that a common decisionmaking procedure would lift them up to the status of equal

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partners and that a substantial bargaining process with the EC could result in a well-balanced comprehensive agreement with the Community. Under the guidance of a "High Level Negotiating Group," working groups were formed to deal with the main issues of the projected agreement, on the four freedoms, on horizontal and flanking policies, on legal and institutional questions. Before long, the main controversial issues as well as the divergent interests of the negotiating partners – which did not always run along the EC-EFTA lines only – became evident.[15] Here, the intended common decision-making process proved to be one of the most difficult points of negotiation. While EFTA originally sought a truly independent EEA law containing various EFTA-specific adaptations and divergencies from the EC law and an independent EEA law-making procedure, the EC insisted on adopting the entire body of present Community law (acquis communautaire) of EEA relevancy and on its complete decision-taking autonomy which would leave no room for EFTA participation. As far as substantive EC-EFTA controversies are concerned, they soon concentrated on three major questions, fisheries rights (whether EFTA states should have market access to the Community and on additional EC fishing quotas in EFTA waters), traffic transit (the EC saw the conclusion of bilateral transit agreements with Switzerland and Austria as a condition precedent to the conclusion of the EEA agreement), and Cohesion Fund (the EC demanded EFTA participation in the Community funding program of less developed regions in Ireland, Greece, Spain and Portugal). Additionally, the EFTA states had differing ideas on the scope of the planned extension of the internal market. While Austria, for instance, – which in the meantime had already applied for EC membership[16] – was ready to join a customs union with the EC and its other EFTA partners and wanted to extend the scope of the free movement of goods to include more agricultural products, the other EFTA countries strongly resisted any customs union idea and only agreed on an improved free trade zone. Together with the EC they also opposed any extension toward a common agricultural policy.[17]

The EFTA expectations aroused by the Delors offer were widely disappointed, though. On the institutional side, the EC Commission succeeded in reducing the EFTA participation in future EEA law-making to a mere "decision-shaping" (leaving the substantive issues to autonomous EC determination). As far as the

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essential content of the EEA agreement is concerned, the feared "self-service shop"[18] attitude of the EFTA countries seeking wide-ranging permanent exceptions for specific matters has effectively been blocked by EC negotiators, who convinced the EFTA countries to accept more or less the entire acquis communautaire, the existing body of Community legislation in the areas covered by the EEA. Safeguard clauses and exceptions have been allowed only to a very limited extent.

The Final Negotiating Phase

Finally, in late 1991, political agreement was reached on all major outstanding issues. During an EC-EFTA Ministerial Meeting in Luxembourg on October 21/22, the controversial questions of EC-access to Scandinavian and Icelandic fisheries areas, of EFTA financial assistance to the poorer EC countries within the so-called Cohesion Fund and of EC transit rights through the Alpine regions of Switzerland and Austria were resolved. The substantial negotiations were finished and a date in mid-November was set for initialling the treaty. This event had to be postponed, however, when the European Court of Justice (ECJ), who had been asked for an advisory opinion by the EC Commission on the compatibility of the intended EEA judicial system with Community law, decided to have a formal hearing in late November.[19] The ECJ's opinion which was publicized in mid-December 1991, declared the planned EEA Court – which would have had competence to settle disputes between EEA member states and as final appellate tribunal in the field of competition – incompatible with the EEC treaty. This left, as the only option, to rescue the EEA agreement, a renegotiation of the dispute settlement provisions. These attempts severely curtailed the intended range of common EEA organs. It replaced the EEA Court as dispute settlement organ with a political dispute-settlement procedure within the EEA Joint Committee and a very limited quasi-judicial supervision of safeguard and rebalancing measures by an EEA arbitration, and it provided for the setting up of an EFTA-"pillar" in the competition field.

With these adaptations, the negotiations were formally concluded in Brussels on February 14, 1992. A second advisory opinion sought from the ECJ was rendered in April 1992. It approved the institutional compromise found by the EEA negotiators and declared the agreement compatible with EC law. This led

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the path to the final initialling of the EEA agreement on April 14 and its formal signing during the Ministerial Meeting in Porto on May 2, 1992.

The EEA Agreement

The following pages seek to describe the content of the agreement reached in Porto on May 2, 1992. They will at the same time focus on the most problematic issues. In Community law terminology the EEA agreement is an association agreement in accordance with Article 238 of the EEC treaty and, since it involves both Community and its member states' competences, it is a so-called mixed agreement[20] . The "dynamic"[21] aspect of the EEA not only relates to the constant adaptation of its rules according to the development of Community law, but also to its integrational aspect. While originally conceived by some Community politicians as an alternative for EFTA states to full EC-membership, the EEA is now seen as a possible transitional agreement preparing for Community membership.[22] Since many present EFTA governments desire their countries to become Community members – as evidenced by the formal applications of Austria[23], Sweden[24], Finland[25] and Switzerland[26] – , and might realistically succeed in achieving this during the mid-1990s, the EEA would then function as a preparatory stage for some of the eastern European states. Many of those former COMECON states like Czechoslovakia, Hungary and Poland, however, seem to prefer the direct way to Europe by approaching the Community for membership.

The main objectives of the EEA agreement are "the fullest possible realization of the free movement of goods, persons, services and capital within the whole European Economic Area, as well as [...] strengthened and broadened cooperation in flanking and horizontal policies"[27] and the establishment of a "dynamic and homogeneous European Economic Area, based on common rules and equal conditions of competition and providing for the adequate means of enforcement including at the judicial level, and achieved on the basis of equality and reciprocity and of an overall balance of benefits, rights and obligations for the Contracting Parties"[28]. This is, so to speak, the nucleus of the whole agreement.

The so-called "Four Freedoms" (free movement of goods,

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persons, services and capital) are to be made operable within the EEA by a general prohibition of all "discriminatory treatment"[29], focusing on the elimination of all direct and indirect obstacles in line with the jurisprudence of the European Court of Justice.

The establishment of equal conditions of competition on the other hand is sought by setting up common rules of competition, i.e. by transferring the present EC competition law on the larger EEA level.

Creating a Homogeneous EEA Law by Adopting EC Law

This "adoption" of European Community law on an EEA-wide scale is technically achieved as follows. The EEA agreement itself contains provisions which are largely identical with those of the EEC treaty, including the four freedoms, rules on competition, etc. To guarantee an identical ("homogeneous") interpretation and application of those identically worded provisions, Art 6 of the EEA agreements declares that they should be interpreted in conformity with the relevant rulings of the ECJ. Thus, the relevant acquis communautaire which has to be adopted EEA-wide also encompasses the important case law of the ECJ.

Additionally, the EEA agreement provides for an adoption of the entire EEA-relevant secondary Community law, i.e. almost 60% of all presently valid EC regulations and directives. These roughly 1,300 Community acts[30] are listed in the annexes I to XXII of the EEA agreement by way of general reference. This means that the Community acts adopted are not reprinted in total. Instead the annexes list their titles, where they can be found in the EC Official Journal and necessary adaptations like addressees in EFTA states and transitional periods for the EFTA states.

In general the EFTA states are obliged to amend their domestic legislation in conformity with the relevant *acquis communautaire* prior to the entry into force of the EEA agreement. Only in exceptional cases, and as a result of a tough EC negotiating policy only to a very limited extent, EFTA states were granted transitional periods which effectively postpone the date when their internal law has to be in conformity with EC law. These transitional periods are usually between two and five years.

Subjects not covered by the adoption of European Community law are most prominently the common agricultural policy, questions of tax harmonization and of monetary cooperation,[31]

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and EC transit rights through Switzerland and Austria (which are governed by two separate treaties). The EEA also did not include any of the Maastricht amendments relating to political union. Thus, it made no provision for a common foreign or defense policy.

General Provisions

Article 3 obligates the contracting parties to take all appropriate measures, whether general or particular, to ensure fulfilment of the obligations arising out of the EEA agreement. They shall abstain from any measure which could jeopardize the attainment of the objectives of the agreement.

As a basic provision Art 4 prohibits any discrimination on grounds of nationality in the fields covered by the agreement. Furthermore the agreement grants a "droit d'évocation" to its member states, the right to raise any matter of EEA concern at the level of the EEA Joint Committee or the EEA Council.[32] Additionally, the EEA states may request their other treaty partners "to develop the relations established by this Agreement by extending them to fields not covered thereby" on the EEA Council level.[33]

According to Article 7, acts referred to or contained in the EEA annexes or in decisions of the EEA Joint Committee shall be binding upon the contracting parties and "be, or be made, part of their internal legal order as follows: (a) an act corresponding to an EEC regulation shall as such be made part of the internal legal order of the Contracting Parties; (b) an act corresponding to an EEC directive shall leave to the authorities of the Contracting Parties the choice of form and method of implementation."

Except as otherwise regulated, the EEA treaty provisions will supersede existing EC-EFTA bi- or multi-lateral agreements on identical subject matters.[34] Among those agreements listed in the protocols which will remain in force are treaties governing protection of water resources of the Rhine and the Danube,[35] as well as the two bilateral transit agreements between the Community and Austria[36] and Switzerland[37].

To the extent that the good functioning of the EEA agreement is not impaired, it explicitly does not preclude regional cooperations like the Nordic Council, the Swiss-Liechtenstein customs union, and the so-called Accordino, the Austro-Italian regional cooperation of Tyrol, Vorarlberg and Trentino - South

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Tyrol/Alto Adige.[38]

The EEA was originally intended to enter into force on January 1, 1993, provided that all contracting parties had deposited their instruments of ratification or approval before that date.[39] Since the public referendum held in Switzerland resulted in a negative vote on joining the EEA (while the Liechtenstein referendum approved the EEA agreement), a timely deposition of all 19 formal instruments of approval with the General Secretariat of the EC Council[40] by January 1, 1993 became impossible. Thus, the other 18 contracting parties willing to permit the treaty enter into force have to negotiate a diplomatic solution to proceed without having comlied with the original agreement, which required the support of all nineteen.[41]

The Structure of the Agreement

Beside the main agreement consisting of 129 articles and the 22 annexes which list the relevant Community law acts to be adopted EEA-wide, the EEA treaty includes the following documents: 49 protocols which lay down some supplementary rules and specifications of the main text, like provisions on existing treaties, rules of origin and special organizational rules[42]; 32 joint and 39 unilateral declarations made at signature which contain the contracting parties' opinions on some points of interpretation and implementation of the agreement; agreed minutes which reflect the member states' conception to interpret and apply certain provisions in a specified way.

Improving the Present Free Trade Agreement System and Reducing Technical Trade Barriers

In pursuing the trade liberalization policy initiated by the EC-EFTA FTAs, the EEA agreement undertakes to extend the present free trade regime, which already prohibits customs duties as well as quantitative restrictions (quotas) on imports and exports and any measures of equivalent effect.[43] The EEA focuses on the elimination of technical trade barriers by harmonizing technical regulations, standards, testing requirements and certifications and by adopting the "Cassis de Dijon" principle for the EEA trade.[44] In Cassis, one of the landmark decisions on the free movement of goods, the European Court of Justice has held that – as long as no common EC standards are established — any product lawfully

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produced and marketed in one member state must, in principle, be admitted to the market in any other member state.[45] The only valid exceptions to this Cassis-principle are trade restrictions for reasons of public policy or security, health and life protection of humans, animals and plants, protection of cultural heritage and of intellectual property rights.[46] In addition, safeguard provisions might lead to a suspension of free movement privileges by an EEA member state who finds itself in "serious economic, societal or environmental difficulties of a sectoral or regional nature liable to persist"[47].

Thus, the free movement of goods regime under the EEA is largely identical with the present EEC rules.

Goods Covered by the EEA Agreement

Compared to the FTAs, the EEA does not substantially enlarge the field of goods falling under the free trade regime. It principally covers only industrial or manufactured products specified in Chapters 25 to 99 of the Harmonized Commodity Description and Coding System.[48]

Agricultural and fishery products are not included in the free trade arrangement. However, on the basis of the EEA agreement the EC and some EFTA countries have bilaterally agreed to extend the present customs-free quotas for specific products like wine, meat, cheese and fruit and vegetable juices on a reciprocal basis. Additionally, the EFTA states have accepted to grant preferential import conditions for agricultural products from poorer EC regions (so-called Cohesion products). Also, as far as technical trade barriers are concerned, the EEA brings some facilitation for agricultural products by harmonizing veterinary and phytosanitary provisions.

As far as fishery products are concerned, the EEA only previews a reduction of customs duties for some fish species.

The EEA – an Improved Free Trade Area: not Customs Union

One of the main limitations from the point of view of economic integration is that the EEA is only an improved free trade area and not a customs union. This implies that the future EEA will not create a common external customs tariff and that it will lack a joint foreign trade policy, because some EFTA-states have insisted on their foreign trade autonomy. Consequently,

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different import and export duties will be levied on trade with third countries and there will be no common anti-dumping policy. The administration of the EEA free trade regime will be based on a set of (improved) rules of origin, as in the FTAs. Border controls between EC and EFTA states remain necessary.

Thus, the EEA will prolong two important discriminatory effects for the EC-EFTA trade vis-a-vis the intra-Community trade: First, it will result in disadvantages for the "passive enrichment trade" for the EFTA states. Some goods originating in an EFTA country (this is especially important for textiles) which have been manufactured partly outside the EEA and were reimported to the EFTA state might lose their status of origin for purposes of duty exemption when exported into the Community.

Secondly, the administrative costs of supervising import/export documentation for the future EC-EFTA trade will remain, while at the same time exactly these incidental expenses will disappear for the intra-Community trade once the Internal Market, which abolishes any intra Community border controls, starts working.

The Free Movement of Persons
(Free Movement of both Workers and Corporations)

The EEA adopts the European Community law principles on abolishing nationality-based restrictions on the economic activities of workers, employees and of self-employed persons. The only general exception relates to "public services".[49]

The principle of free movement for workers abolishes any discrimination between EC and EFTA nationals regarding employment, remuneration and other working conditions.[50] It specifically includes the right to accept offers of employment actually made, to move freely within the territory of EC member states and EFTA states for this purpose, to stay in the territory of an EC member state or an EFTA state for the purpose of employment, and to remain in the territory after employment.[51]

The second group of market participants, self-employed persons, enjoy the freedom of establishment in any EC or EFTA state which expressly includes the right to set up and manage undertakings (companies or firms), establish agencies, branches or subsidiaries according to the conditions of the country of establishment.[52]

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This freedom also applies to corporate entities[53] established under the law of an EEA country and having their registered office, central administration or principal place of business within the EEA.[54]

Both freedoms will be practically established via a system of mutual recognition of diplomas, certificates and other evidence of formal qualifications for the taking-up and pursuit of economic activities.[55] Only in a few professions (e.g. dentists, physicians, architects, etc) have the EC established common requirements for qualification, in the form of EC directives, which educational standards have to be adopted EEA-wide.

Freedom to Provide Services

The EEA agreement guarantees the freedom to provide services for all nationals of or legal persons established in any EEA state to any one in another EEA state. Thus, services offered from any EEA state have to be admitted by another EEA state under the same conditions as services offered in its own territory. The services covered by the EEA are such "normally provided for remuneration" and include industrial and commercial activities as well as craftmanship and free professions.[56]

Most importantly, the EC rules on the transborder provision of banking and insurance services will be adopted EEA-wide. Under the "single license" and "home country control" regime, financial institutions will be licensed to provide services in one single EEA-home state according to its national rules, which are in turn harmonized by EC directives, and they will be supervised by the national authorities of that licensing state. Once a bank has been licensed in one EEA state, it can provide services to customers in all other EEA states. Together with the freedom to provide services, a substantial part of the present EC banking law will become obligatory for the EFTA states as well. The single licence and single control system will also apply to some insurance services.[57]

The EEA lays down special provisions for transport services by rail, road and inland waterway.[58] They prohibit any national rules having a discriminatory effect on EEA transport carriers as well as the granting of state aid for transport undertakings, except for the purpose of coordinating transport and as reimbursement for the discharge of public service obligations.

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Free Movement of Capital

The EEA agreement establishes also the fourth pillar of the EC's economic freedoms, the free movement of capital. In general it prohibits any restrictions on capital transfers, investments, acquisition of real property, loans, etc., in respect of capital belonging to persons resident in the EEA and it outlaws any discrimination based on the nationality or on the place of residence of the parties or on the place where the capital is invested.[59] Furthermore, the EEA abolishes all restrictions on current payments.[60] Especially in the politically sensitive fields of real property and direct investment, however, the EFTA states have insisted on transitional periods from 2 to 5 years after the entering into force of the EEA agreement. Restrictions on the acquisition of real property will be compatible with the EEA, if they are applied for public order reasons in a non-discriminatory fashion, such as local residency requirements or zoning laws.

Horizontal Provisions Relevant to the "Four Freedoms"

Social Policy

The EEA agreement does not only try to guarantee an effective free movement of persons within the entire EEA territory, but also aims at improved working conditions and living standards for workers.[61] The contracting parties undertake to promote those goals, inter alia, via health and safety legislation, gender equality at the workplace, etc. Most of the social policy provisions of the EEA agreement, however, do not constitute strict legal duties.

Consumer protection

In the area of consumer protection, the EEA adopts many basic Community directives. Among them are those concerning consumer credits, misleading advertising, package travel, contracts negotiated away from business premises, etc.

Environment

The EEA pursues a relatively strong policy on environmental issues seeking to preserve, protect and improve the quality of the environment, to contribute toward protecting human health, and to ensure a prudent and rational utilization of natural resources.[62] The EEA adopts the three environmental Community

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principles that preventive action should be preferred, that environmental damage should be rectified primarily at source, and that the polluter should pay. In the annexes to the agreement there are a number of Community acts on the protection of water and air, on chemicals, industrial risk, biotechnology and the disposal of environmentally hazardous waste. In accordance with the principle of a high level of protection, the EEA agreement generally allows the maintenance and imposition of more stringent environmentally protective measures by national legislation as long as they are "compatible with this Agreement"[63].

Statistics

As a matter of making their (mainly economic) data practically comparable with each other and thus enabling the contracting parties to take the appropriate policy measures, the EC and the EFTA states have agreed to "develop and use harmonized methods, definitions and classifications as well as common programmes and procedures organizing statistical work at appropriate adminstrative levels"[64].

Company Law

With a view to facilitating the implementation of the freedom of establishment and to providing services for corporate entities EEA-wide, the agreement adopts most of the EC's present company law. Although the Community has not yet succeeded in creating[65] a true European company ("societas europea"), it provides for a joint venture vehicle, the European Economic Interest Grouping, which makes Community-wide transborder cooperation easier; additionally a number of directives have been adopted which aim at the harmonization of national company laws concerning shareholders' protection, company mergers and divisions, accounting and auditing principles, etc.

The Common Competition Policy

Beside the establishment of the four freedoms within the EEA, the setting up of a common legal framework for EEA-competition belongs to the core provisions of the agreement.[66] Basically, the present EC competition policy will be adopted on an EEA-wide level. This "policy" includes anti-trust law, merger controls, rules on state aid and public undertakings. It goes far

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beyond the present competition rules contained in the EC-EFTA FTAs, which particularly suffered from a lack of effective enforcement possibilities.[67] As a matter of principle, however, it does not completely replace the domestic rules on competition. Rather, the EEA competition policy will apply to situations affecting trade among the EEA states and leaves domestic anti-competitive behavior subject to national rules.

The European Surveillance Authority (ESA), together with the EFTA Court, will be entrusted with far-reaching investigative and adjudicative powers to enforce the future EEA competition law on the EFTA side, while the EC Commission and the ECJ, as well as the European Court of First Instance, remain in charge of enforcing the Community competition law.

Competition Law

The EEA competition rules (Art. 53ff), which literally correspond to the provisions of Art 85ff EEC treaty, prohibit any measures preventing, restricting or distorting competition within the EEA as far as trade between the EEA member states might be affected.

The anti-competitive measures thus prohibited are not limited to cartel contracts ("agreements between undertakings"), but also include "decisions by associations" which might bind or otherwise influence the market behavior of its members and mere "concerted practices". Most notably the EEA agreement outlaws any direct or indirect price fixing, the limitation or control of production, markets, technical development or investment, the sharing of markets or sources of supply, the application of dissimilar conditions to equivalent transactions with other trading parties placing them at a competitive disadvantage, the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts.[68]

The EEA agreement provides that any anti-competitive agreement or decision in contravention of its rules shall be automatically void. Additionally, the competent surveillance authorities, either the EC Commission or the ESA, have far-reaching investigative powers and authority to impose fines upon violators.

As in Community competition law, an exemption from the

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general prohibition may be granted under certain conditions by the competent surveillance agency for anti-competitive measures which contribute to "improving the production or distribution of goods or to promoting technical or economic progress, while allowing consumers a fair share of the resulting benefit"[69].

The EEA agreement also prohibits any abuse of a dominant market position within the EEA or a substantial part of it in so far as it affects trade between the EEA states[70]. Among the abusive practices prohibited, the agreement explicitly mentions the imposition of unfair prices or other unfair trading conditions, the limitation of production, markets or technical development, the application of dissimilar conditions to equivalent transactions with other trading parties placing them at a competitive disadvantage, the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts.[71]

Additionally the EEA agreement confers competence upon the relevant surveillance authority (ESA or EC Commission) to declare business mergers which create ot strengthen a dominant position, as a result of which effective competition would be significantly impeded within the EEA territory or a substantial part of it, incompatible with the agreement.[72]

State Aid

The EEA agreement adopts a far-reaching prohibition on granting state aid which distorts or threatens to distort EEA-wide competition. In accordance with Community law, the EEA notion of state aid has to be interpreted extensively; it includes any aid granted by the state itself or "through State resources in any form whatsoever"[73], which could be through credit intermediaries like banks and financing institutions disbursing public funds, and it covers all forms of direct and indirect aid like preferential credit rates, tax incentives, export subsidiaries, etc.

Generally exempted from the EEA prohibition of granting state aid is aid to individuals of a social character and disaster relief, while other forms of state subsidies might be declared compatible with the EEA by a decision of the competent competition organ (EC Commission or ESA). Among such, in single instances admissible state aid rank subsidies granted for regional

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policy reasons, for a "project of common European interest", for scientific and technical progress, for environmental protection measures, etc.

The competent surveillance authority, EC Commission or ESA, has to be informed in advance of any intended granting of state aid, which will then be declared compatible with the EEA or not. Any state aid granted unreportedly in contravention of EEA rules might be subject to repayment in addition to the imposition of fines.

Public Undertakings

The EEA competition rules are also applicable to public undertakings.[74] These are legal entities of a public or private law character owned or controlled by the state or state organs. This submission under the EEA competition rules might be limited for undertakings rendering "services of general economic interest" or for revenue producing monopolies.

State Monopolies

The EEA agreement provides that commercial monopolies have to be transformed in a way to exclude any procuring or marketing discrimination between EEA nationals.[75] These EEA rules do not cover monopolies in the services area.

Public Procurement

Under the EEA agreement, public procurement may not favor national contractors. To this end the EEA agreement adopts the Community directives on public procurement[76] which mandate an EEA-wide, transparent public notice system for procurement and public works to be contracted by states, state organs, and by public undertakings in the telecommunications, transport, water and energy sector exceeding a certain threshold value.

Preliminary information as well as the actual procurement offers governed by the EEA rules have to be published in the supplement to the Official Journal of the EC. In order to grant effective rights to competitors, the final procurement contract is also subject to publication in the Official Journal. Losing bidders will have legal remedies against illegally preferred competitors.

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Institutions of the EEA

From the start of negotiations aiming at the creation of an EEA, the question of the structure and competences of EEA-institutions has been dealt with as a matter of primary concern.[77] After the relatively frustrating "Luxembourg follow-up" process where a lack of common institutions was blamed for missing successes, and after the Delors-initiative in 1989, the creation of such common EC-EFTA organs has been viewed as a touchstone for future successful co-operation. The institutional system finally agreed upon is one of the most complex structures set up in an EC association agreement. It undertakes to harmonize the conflicting goals of autonomy[78] and homogeneity[79], particularly of the decision-making autonomy of the EC and the EFTA states and of the judicial autonomy both of the ECJ and of the EFTA courts and a homogeneous interpretation and application of community law and the "parallel" provisions of the EEA agreement.[80]

Thus, the EEA agreement provides for a variety of organs, in their structure and competence following closely the pattern of EC organs. This strong resemblance itself is the result of a controversial negotiating phase during which different options, ranging from a symmetrical "two pillars" system (guaranteeing autonomy) to an overlapping EEA superstructure with genuine EEA organs (guaranteeing homogeneity) to an "EEA-light" with a minimum of institutions, were discussed.

After the first (negative) advisory opinion of the ECJ on the compatibility of the envisaged EEA judiciary system of December 1991,[81] the option of an EEA-wide court system became untenable and the "two-pillars" approach was followed providing for an EFTA Court of Justice and an EFTA Surveillance Authority vested with competences similar to those of the ECJ and the EC Commission. One question which seems to have been left open purposely is the systematically very important and most interesting issue – particularly to the student of international law – whether the resultant agreement is merely an enlarged international trade treaty or creates an international organization. Interestingly enough, the agreement itself is silent on this question. Neither does it contain any provisions on its international or domestic legal personality nor any rules on privileges and immunities. On the other hand, its far-reaching institutional apparatus seems to indicate that it possesses some characteristics of an international organization. Also, the

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heading of the first chapter of institutional provisions, speaking of the structure of the "association" and not of the agreement, implies that something more than mere treaty-organs are to be erected.[82]

The EEA Council

Articles 89-91 establish an EEA Council as the main political organ. Its structure is clearly mirroring the formation of the Council of the European Communities. It shows a certain imbalance of representation in favor of the EC, since it shall consist of the members of the EC Council and one member of government of each of the EFTA states and of "members of the EC Commission".[83] As the EC Council consists of 12 representatives – one from each EC state – the additional unspecified number of commission members does clearly result in a numerical over-representation of EC-functionaries. Even if the decision-taking procedure in the EEA Council is intended to be effectuated by consensus "between the Community, on the one hand, and the EFTA States, on the other",[84] a possible inclusion of some or all of the 17 members of the Commission will most likely lead to a stronger voice of EC concerns in the pre-voting phase of discussions.

The EEA Council shall meet at least twice a year,[85] being convened by its President. The presidency shall be held alternatively for six month periods by an EFTA government member and an EC Council member.[86]

The competences and tasks for this main political EEA organ remain relatively unclear and will probably develop mostly through practice after the agreement has entered into force: "It shall, in particular, be responsible for giving the political impetus in the implementation of this agreement and laying down the general guidelines for the EEA Joint Committee."[87] It will review the functioning of the agreement and agree on suggested amendments to the EEA which cannot be brought about by the simplified amending procedure through the EEA Joint Committee.

EEA Joint Committee

The EEA Joint Committee (Art. 92ff), which will be composed of high-level executive functionaries of the EEA member states, is conceived as the main EEA "administrative" organ. It will supervise the "effective implementation and operation"[88] of the

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EEA ageement. It will meet at least once a month. To characterize its tasks as purely executive functions, however, would be to limit the EEA Joint Committee's true importance. In fact, it is also the main "legislative" organ of the EEA, has important decision-taking powers in the field of developing and enlarging the annexes to the EEA agreement, which basically define the *acquis communautaire*.[89] Similarly the EEA Joint Committee's competences reach into the political dispute settlement procedure of the EEA.

EEA Arbitratation Tribunal

As an institutional "compensation" for the originally planned EEA Court the agreement provides for the possibility of setting up an EEA Arbitration Tribunal.[90] In line with the normally followed rules in international arbitration, each party nominates one arbitrator and then those two party-appointedagree on one independent arbitrator presiding over the tribunal.

The EEA Arbitration Tribunal will have powers to settle disputes among the EEA member states only to a very limited extent.[91] Basically its adjudicative power is restricted to investigate the appropriateness of safeguard measures and the proportionality of rebalancing measures.[92]

European Surveillance Authority (ESA)

According to the "two-pillar"-system, the EFTA states will create an organ with competences complementary to those of the EC Commission, though not as far-reaching.[93] The European Surveillance Authority (ESA) will mainly supervise the implementation of the EEA competition policy. ESA will consist of seven independent members from each of the EFTA states, appointed for a period of four years. It renders its decisions with a qualified majority. In the field of competition these decisions will be directly binding for individuals.

EFTA Court of Justice

By a separate agreement the EFTA states will establish an independent EFTA Court of Justice which replaces the initially planned EEA Court. The seven judges - one per EFTA state - shall be appointed for a period of six years by mutual agreement between the EFTA states. It will be competent for cases involving the "EFTA pillar" within the EEA, i.e.

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a) actions concerning the surveillance procedure regarding the EFTA states
b) appeals against ESA competition decisions
c) dispute settlement among EFTA states.[94]

Other Institutionalized Organizations

The EEA agreement also sets up an EEA Joint Parliamentary Committee, consisting of an equal number of members of the European Parliament and of members of EFTA state parliaments which "shall contribute, through dialogue and debate, to a better understanding between the Community and the EFTA states"[95] in matters of EEA relevance. It also establishes an EEA Consultative Committee representing the interests of the social partners in the community and the EFTA states. Both organs have consultative competence only and may express their "views in the form of reports or resolutions".[96]

The Tasks of the EEA Organs

This complex structure of EEA organs is entrusted with a wide range of functions developing, executing and supervising the treaty provisions. They can be split into law-making, law-enforcing and dispute-settlement tasks.

The EEA Law-Making Procedure

In pursuance of the EEA's aim to create a "dynamic"[97] economic area, the agreement provides for a complex "legislative" procedure to develop and amend the substantive EEA law. A genuine EEA law-making procedure was felt necessary to guarantee the autonomy of the EEA states. Moreover, since this body of law should be homogeneous with respect to community law, the law-making procedure has to guarantee that its results will be compatible and materially identical with EC law. Here the EEA drafters found themselves caught by the incompatibility of autonomy and homogeneity. If autonomy is to be taken seriously, then the EEA law makers, the EC and EFTA states, should have received freedom to decide on new and independently formed EEA law. If homogeneity is to be taken seriously, on the other hand, its ultimate guarantee would be to leave the legislation to the EC organs and to adopt such law EEA-wide. The EEA negotiators

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sought to escape this dilemma by attempting the "quadrature of the circle";[98] they tried to guarantee both. Thus, the whole system of EEA legislation has to be viewed as a compromise between those two conflicting ideas.

For an amendment of the EEA agreement itself, Art. 118 provides for an international law treaty amendment procedure. More importantly, however, for an adaptation of the EEA law in line with the future development of secondary Community law, the EEA agreement contains a simplified treaty amendment procedure for specifically mentioned annexes and protocols by decisions of the EEA Joint Committee. This "exception" in fact covers the most important part of EC secondary legislation and will enable the EEA to provide a body of law homogeneous with EC law. The EEA law-making procedure can be divided into a "decision shaping" process within the EC, with some rudimentary consultative competences on the EFTA side and the genuine "decision-making" phase within the EEA.

"Decision-Shaping"

The EEA guarantees an autonomous decision-taking and development of EC law by EC organs. Here, the role of the EFTA states is limited to consultation; they will have no direct influence on the creation of EC law.[99] The EFTA states should, however, participate in the formation, the "decision-shaping," of that part of Community law which is relevant for the EEA. To this end, the EC is obliged to inform its EFTA partners of any plan to create new Community law acts and to hear experts from EFTA countries. These EFTA experts are also granted purely consultative and advisory rights in the so-called Comitology process of community law-making.

"Decision-Making"

The true EEA law-making is entrusted to the EEA Joint Committee. By unanimous decision (the EC and the EFTA states are both "speaking with one voice"),[100] it will amend provisions of the annexes or protocols. These amendments should be in line with changed EC law as a result of the autonomous decision-taking of the Community.[101] Thus, the EEA agreement does not provide for the creation of any substantively independent EEA law.[102]

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If the EEA Joint Committee does not reach a unanimous decision within six months and if a mutually-agreed solution cannot be found, those parts of the EEA annexes or protocols affected by the new decision are provisionally suspended.

In order to guarantee the constitutionally required parliamentary participation in the law-making process of some EFTA states, the EEA also provides for a complex system of parliamentary approval as a precondition for the entry into force of the EEA Joint Committee's decisions.[103]

If the suspension of EEA annexes or protocols leads to imbalances between the rights and duties of EEA member states, each contracting party has the possibility to implement "rebalancing measures".

Once a decision is made by the EEA Joint Committee, it is – upon its entry into force – binding on the contracting parties, which shall take the necessary steps to ensure its implementation and application.[104]

The Enforcement of EEA Law and Surveillance

The presently agreed-upon and the future EEA law will become part of the internal law of the EEA member states - either as being directly applicable in the EEA states or as the result of internal legislation in fulfilment of EEA obligations. In both cases the majority of this new EEA law will be applied by domestic organs, courts, administrative agencies, etc. In the field of the common EEA competition policy, however, EEA law shall be executed by international organs. Here the two "parallel organs"[105], ESA and the EFTA Court, will have similar functions and tasks as the EC Commission and the ECJ.

Both the Commission and ESA are competent to investigate suspected anti-competitive behavior either on their own initiative or on application by an EEA state or the other surveillance authority.[106] Individual anti-trust provisions are apportioned according to the following principles: cases affecting only trade between EFTA states and cases where the turnover of the undertakings concerned within EFTA equals or exceeds one third of their total EEA turnover are decided by ESA, while all other cases as well as cases where trade between EC member states is affected fall under the jurisdiction of the EC Commission.[107] If they find a violation of EEA competition rules, they can render a reasoned decision and

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impose fines on individuals. These decisions are enforceable within all EEA states.[108] An appellate review of those decisions will be carried out by the Court of First Instance of the European Communities and the EFTA Court. Similarly in the field of state aid, both the Commission and ESA have supervisory powers.

As far as the fulfilment of the other EEA provisions by the contracting parties is concerned, the EEA agreement contains a special surveillance procedure. ESA and the EC Commission shall cooperate, exchange information and consult each other in order to monitor the fulfilment of the obligations under the EEA agreement.[109] Both organs receive complaints, examine them and render decisions with suggestions to stop any perceived violations. If they disagree either on the result of the examination or on the action to be taken, the political dispute-settlement procedure under the auspices of the EEA Joint Committee shall be instituted.[110]

The EEA Dispute-Settlement Provisions

After the elimination of the intended EEA Court, which became necessary as a result of the negative (first) advisory opinion of the ECJ, the dispute-settlement mechanism of the EEA treaty is a fragmentary mosaic of different judicial, political and quasi-judicial systems, whose jurisdictions might give rise to frictions. Only disputes between two or more EFTA states will be settled judicially.[111] The EFTA Court will be competent for such disputes.[112]

Disputes between EC and EFTA states concerning the interpretation and application of the EEA agreement shall be settled politically by the EEA Joint Committee after "an indepth examination of the situation, with a view to finding an acceptable solution" and after considering "all possibilities to maintain the good functioning of the Agreement".[113]

For a very limited field, the EEA sets up a true quasijudicial dispute settlement procedure. The agreement authorizes the EEA states to impose unilateral safeguard measures if "serious economic, societal or environmental difficulties of a sectoral or regional nature liable to persist" are arising.[114] These safeguard measures have to be restricted to the least damaging scope and duration and shall be applied indiscriminately. Although the imposition of such safeguard measures is a unilateral right of an EEA state, the agreement provides for consultative and cooperative duties of the parties within the EEA Joint Committee, which also screens the

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extent of rebalancing measures. Such counter-action may be taken by other EEA states if the safeguard measures imposed create a serious imbalance between rights and obligations under the EEA agreement.[115]

If a dispute relating to the scope or duration of safeguard measures or the proportionality of rebalancing measures cannot be resolved within the EEA Joint Committee, the parties concerned can demand binding arbitration under the EEA Arbitral Tribunal.

Conclusion

After signature of the EEA Agreement in May 1992 and the subsequent parliamentary approvals by the European Parliament and in most EFTA countries (except Switzerland), the path seems open to a new level of EC-EFTA cooperation. The future of the EEA Agreement itself remains uncertain and largely subject to the emerging political will of its member states during the following years.

1) If, for whatever reasons, the EC policy makers prolong their current preference of further "deepening" to "widening" the Community[116] or if the EFTA states are unable to convince their EC-sceptical populations of the advantages of joining the Twelve and refrain from making the second step of acceding to the Community (after the first step of agreeing on the EEA), the EEA might turn into a long-term "provisional" arrangement, as was EFTA itself.

2) It is more likely, however, that the EEA will be a short-term transitional phase of the EFTA states on their way to full integration, if they and the Community will be able to agree on an early EC-accession by the EFTA countries. In that scenario, the EEA-adoption of some 60% of the present acquis communautaire and the creation of some - albeit limited - supranational competences of EFTA and EEA organs could serve as a general rehearsal for EC-membership. A logical consequence of this policy's success, though, would lie in the EEA's (and EFTA's) self-dissolution.

3) That last consequence could be prevented, if the EEA were able to be adapted as a general blue-print for an EC-accession strategy in stages. As such, it might be of special usefulness for Eastern European countries willing to join the Community. They could first become EFTA- and eventually EEA-member states and

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thereby gradually transform their economic situation from planned economy to full integration.

Whichever form the EEA will ultimately take, it certainly is the most ambitious endeavors to integrate highly sophisticated national and supranational economies.

FOOTNOTES

1 On the EEA agreement in general cf, inter alia, Bourgeois, L'espace économique européen, Revue du Marché Unique Européen (1992), 11-24; Frisch/Meyer, Le traité sur l'espace économique européen: cadre juridique d'une "Europe du deuxième cercle", Revue du Marché Commun et de l'Union Européenne (1992), 596-602; Hine, Regionalism and the Integration of World Economy, Journal of Common Market Studies (1992), 115-123; Hummer, Der EWR und seine Auswirkungen auf Österreich, Europäische Zeitschrift für Wirtschaftsrecht (1992), 361-373; Jacot-Guillarmot, Droit international et droit communautaire dans le future traité instituant l'EEE, Revue Suisse de droit international et de droit européen (1991), 59-80; Norberg, The European Economic Area: The Legal Answers to a Dynamic and Homogeneous EEA, European Business Law Review (1992), 195-200; Railas, The EEA: The World's Largest Free-Trade Area, European Business Law Review (1992), 54-56; Temple Lang, Institutional Aspects of EC-EFTA Relations, in: Robinson/Findlater (eds.), Creating a European Economic Space: Legal Aspects of EC-EFTA Relations, Dublin (1990), 17-62; Udgaard, EFTA and the Future of Europe, in: Weidenfeld/Janning (eds.), Global Responsibilities: Europe in Tomorrow's World, Gütersloh (1991), 208-216; Wallace, Vers un espace économique européen: chances et difficultes d'une negociation conclue au finis, Revue du Marché Commun et de l'Union Européenne (1991), 694-703; Weiss, EC-EFTA Relations: Towards a Treaty Creating a European Economic Space, Yearbook of European Law (1989), 329-365; Wijkman, The EEA agreement – at long last, Integracis Europea (1992), 44-57.

2 According to the Director General of the EC Commission Horst G. Krenzler, Frisch/Meyer, supra note 1, 592.

3 Speech of EC Commission President Jacques Delors to the European Parliament on 17 January 1989.

4 Preamble, Single European Act 1986.

5 House of Lords, Sess. 1989/90, 14th Rep., Select Committee on the European Communities, Relations Between the community and EFTA (Memorandum by Dr. Friedl Weiss), Towards a Treaty Creating a European Economic Space (EES), 140-147, 141.

6 Agreements between the EC and ECSC on the one hand and the EFTA countries Austria, Finland, Iceland, Norway, Portugal, Sweden and Switzerland on the other. They entered into force on 1 January 1973 except for

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those with Finland (1 January 1974), Iceland (1 March 1973), and Norway (1 July 1973).

7 Cf. Bleckmann, Die unmittelbare Anwendbarkeit der Freihandelsabkommen mit den EFTA-Staaten im Rechtsraum der EWG, in: Koppensteiner (Hrsg.), Rechtsfragen der Freihandelsabkommen der Europäischen Wirtschaftsgemeinschaft mit den EFTAStaaten, Wien (1987), 85-126; Hummer, Reichweite und Grenzen unmittelbarer Anwendbarkeit der Freihandelsabkommen, in: id., 43-83.

8 Weiss, supra note 1, 331.

9 E.g. Art 32 of the FTA Austria-EC.

10 Lucron, Vers l'espace économique européen. L'Europe du deuxiΦme cercle. Revue du Marché Commun (1990), 527-531, 527.

11 It was said that the original term "space" was later renamed "area" in order "to avoid the notion of emptiness" (Udgaard, supra note 1, 208).

12 In the so-called "Interlaken Principles" of 20 May 1987 adopted by the EC Commission and EFTA ministers, this priority for internal EC integration towards external EFTA integration was formally recognized. See also Weiss, supra note 1, 352.

13 Speech of the President of the EC Commission to the European Parliament on 17 January 1989.

14 Treis, A new framework for European unity?, Int'l Corporate Law (February 1992), 19-23, 19.

15 See Tanguy, L'espace économique européen, Esope No. 480 (September 1992).

16 By letter of July 14, 1989 Austria formally requested EC membership.

17 460 Blg NR RV zum EWR-Vertrag (Supplement of the Austrian National Assembly's gazetta) 1096.

18 House of Lords, Sess. 1989/90, 14th Rep., supra note 5, 142.

19 The text of the opinion appears at Revue Suisse de droit international et de droit européen (1992), 99-110.

20 Cf Art 2 lit c) EEA Agreement (if not indicated otherwise, articles quoted refer to the EEA Agreement) stating that the term Contracting Party means on the Community side either the community or its member states: "The meaning to be attributed to this expression in each case is to be deduced from the relevant provisions of this Agreement and from the respective competences of the Community and the EC Member States as they follow from the Treaty establishing the European Economic Community and the European Coal and Steel Community."

21 Preamble, Sec 4.

22 Preamble, Sec 14: "Considering that the conclusion of this Agreement shall not prejudge in any way the possibility of any EFTA State to accede to the European Communities."

23 July 17, 1989.

24 July 1, 1991.

25 March 18, 1992.

26 May 26, 1992.

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26 Preamble, Sec 5.
27 Preamble, Sec 4.
28 Art 4.
29 Approximately 720 directives, 300 non-binding Community acts, 30 regulations and 120 decisions.
31 The EEA's "Economic and Monetary Policy Cooperation" in Art 46 only provides for a non-binding exchange of views and information. The EFTA states will not participate in the European Monetary System or in the European Monetary Union.
32 Art 5.
33 Art 118.
34 Art 120.
35 Protocol 41.
36 Protocol 43.
37 Protocol 44.
38 Art 121.
39 Art 129 para 3 first sentence.
40 According to Art 129 para 2.
41 Art 129 para 3 last sentence.
42 According to Art 119 annexes, acts referred to therein and protocols form an "integral part of" the EEA agreement.
43 Art 10ff.
44 Jacot-Guillarmod, How far should the "Cassis de Dijon" Principle developed in the Case Law of the European Court of Justice be introduced into EC-EFTA relations in: Robinson/Findlater (eds.), Creating a European Economic Space: Legal Aspects of EC-EFTA Relations, Dublin (1990), 193-205.
45 Case of REWE-Central v. Bundesmonopolverwaltung für Branntwein, case 120/78, judgment of 20 February, 1979, ECR 649 (1979).
46 Art 13.
47 Art 112 para 1.
48 Art 8 para 3 lit a).
49 In accordance with the case law of the ECJ, this public services exception has to be construed narrowly.
50 These measures are flanked by social security provisions guaranteeing, inter alia, an EEA-wide aggregation of insurance times to receive social security benefits as well as a EEA-wide disbursement of such benefits (Art 29).
51 Art 28.
52 Art 31.
53 The EEA term "companies and firms" means corporate entities constituted under civil or commercial law, including cooperative societies, and other legal persons governed by public or private law, save for those which are non-profit making (Art 34 para 2).
54 Art 34 para 1.
55 Art 30.
56 Art 37.

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57 EC directives cover insurance services only sectorally, such as life, non-life, vehicle insurances, etc.
58 Artt 47 to 52.
59 Art 40.
60 Art 41.
61 Art 66.
62 Art 73 para 1.
63 Art 75.
64 Art 76 para 2.
65 Mainly on account of controversial attitudes between the member states on the participatory rights of employees.
66 Rouam, L'espace économique européen: un horizon nouveau pour la politique de concurrence?, Revue du Marché Commun et de l'Union Européenne (1992), 53-57.
67 Cf. Hummer, Reichweite und Grenzen unmittelbarer Anwendbarkeit der Freihandelsabkommen, in: Koppensteiner (Hrsg.), Rechtsfragen der Freihandelsabkommen der Europäischen Wirtschaftsgemeinschaft mit den EFTA-Staaten, Wien (1987), 43-83. Bleckmann, Die unmittelbare Anwendbarkeit der Freihandelsabkommen mit den EFTA-Staaten im Rechtsraum der EWG, in: id., 85-126.
68 Art 53 para 1 lit a) to e).
69 Art 53 para 3.
70 Art 54.
71 Art 54 lit a) to d).
72 Art 57.
73 Art 61 para 1.
74 Art 59 para 1.
75 Art 16 para 1.
76 Art 65 para 1.
77 Cf. Norberg, Legal and Institutional Aspects of EC-EFTA Relations in a Dynamic and Homogeneous European Economic Space – an EFTA Point of View, in: Robinson/Findlater (eds.), Creating a European Economic Space: Legal Aspects of EC-EFTA Relations, Dublin (1990), 63-75.
78 Cf. Preamble, Sec 11: "Whereas this Agreement does not restrict the decision-making autonomy nor the treaty-making of the Contracting Parties, subject to the provisions of this Agreement and the limitations set by public international law."
79 Cf. Preamble, Sec 4: "Considering the objective to establish a dynamic and homogeneous European Economic Area, based on common rules and equal conditions of competition and providing for the adequate means of enforcement including at the judicial level, and achieved on the basis of equality and reciprocity and of an overall balance of benefits, rights and obligations for the Contracting Parties."
80 Cf. Hummer, supra note 1, 368.
81 Advisory Opinion 1/91, Dec 14., 1991, Official Journal EC 1992, No C 110, 1ff.

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82 "The Structure of the Association" supra Art 89 EEA agreement.
83 Art 90 para 1.
84 Art 90 para 2.
85 Art 91 para 2
86 Art 91 para 1.
87 Art 89 para 1.
88 Art 92 para 1.
89 Cf. infra.
90 Protocol 33 in accordance with Art 111 para 4.
91 Originally it was planned to entrust the EEA Court with competence to settle (all EEA-related) disputes between the EEA member states.
92 Cf. infra for the EEA dispute settlement procedure.
93 Art 108 para 1.
95 Art 108 para 2.
96 Art 95.
97 Art 25 para 4 and Art 96 para 2.
98 Preamble, Sec 5.
99 Hummer, supra note 1, 368.
100 Art 99f.
101 Art 93 para 2.
102 Art 102 para 1.
103 Cf.Wetland, Institutional Development and Linkages – a Response, in: Robinson/Findlater (eds.), Creating a European Economic Space: Legal Aspects of EC-EFTA Relations, Dublin (1990), 99-103, 102: "Even a sophisticated common decision-shaping process cannot replace real common decision-making."
103 Art 102.
104 Art 104.
105 Hess/Raaflaub, Die Auswirkungen des Acquis Commnautaire auf das Recht des EWR, Europäische Zeitschrift für Wirtschaftsrecht (1992), 379-387, 379.
106 Art 55 para 1.
107 Art 56.
108 Art 110.
109 Art 109 para 1 and 2.
110 Art 109 para 5.
111 Of course also intra-Community disputes are settled judicially, but within the EC framework.
112 Art 108 para 2 lit c).
113 Art 111 para 2.
114 Art 112 para 1.
115 Art 114 para 1.
116 Wallace, Widening and Deepening: the European Community and the New European Agenda, The Royal Institute of International Affairs, Occasional paper No. 23, (1990).

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Nations at the Crossroads

Unification Policies for Germany, Korea and China

Diane D. Pikcunas

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America's Unspoken Economic Dilemma: Falling Intelligence Levels

Seymour W. Itzkoff
Smith College

Challenge

The nations of the world understand the relationship of their economic productivity to the present and future possibilities of their citizens living lives of middle class affluence, or else existing on the marginal fringes of the "developed world." The concepts "developed nations" and "value added productivity" underline the reality of a world bifurcated between the "haves" and the "have nots."

To have a corner on a "value added" product or service is to be allowed the privilege of charging those who desire to purchase the product or experience the service a much higher than average markup. People throughout the world, however, must want what it is you produce or serve and have the wherewithal to pay for such.

Nations such as Germany and Japan produce a wide variety of desired products made by their citizens. They therefore can earn through the international trading system enormous surpluses. With these earnings they are enabled to transform their expectations and desires into tangible reality. The result is an ability to pay for the products of other nations and, also, the wherewithal to fund internal social services into a lifestyle of international affluence.[1]

It is no secret why this state of national development has occurred. These people and their nations produce a variety of complex goods which are transformed out of relatively inexpensive raw materials into unique products which are desired by the middle classes of the world community. Indeed, it is true that there are other nations, often seen as "Third World," who have large populations of citizens who can be called "developed" in terms of their education and affluence.[2] These minorities have commanded, in terms of their political power or special economic functions, an international standard of wealth for themselves far beyond the dreams of their fellow citizens.

Every nation wants to get to the stage where it can

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command such high value added markups on what it has to sell or show, such as to direct the flow of wealth across its borders and into the lives of its citizens. Here lies the dilemma of nations such as the United States or mainland China. The former wishes to recapture the halcyon days of its own magnificent affluence, when the world literally pleaded for "things" American, and there were no multi-billion dollar trade deficits, nor a $4.5 trillion debt accumulation.[3] This latter contemporary situation is the cumulative result of the United States' consuming more than it could earn by the dint of its own contemporary value-added productivity.

China now wishes to abandon the intellectual and practical madness of a communist command economy. It is willing, as Japan was 45 years ago, to start at the bottom. The pathway up into the stratosphere of middle class development appears to lie through the discipline of the unskilled and semi-skilled $.50 to $1 per hour tasks at the 48 hour bench. Then, and gradually, through ever more advanced forms of education, training, investment, such so-called developing nations hope to create an infrastructure of transportation, communication, research and development, marketing, and an urban civilizational setting that will advance them to the point where they can create the most complex and artful products at the most efficient cost.[4] This hopefully will allow them to woo the middle classes of the world away from the products of the Germans and the Japanese. Optimally, the shift in the loyalties of the world's middle classes and their institutional representatives will be a result of the creation by these formerly developing nations of wholly new products and services which allow for an uncontested value added price structure.

The Contest

Germany and Japan, already sophisticated industrial powers in 1940, have come back from the bleakness of utter destruction and defeat in 1945 to rule the world in a way that no one, least of all they themselves, could have predicted at that time. Since then, in a relative blink of time, the entire world has been racing along the same competitive course toward the same goal, power through economic dominance.

Naturally, there is only limited space at the pinnacle, as we in the United States have learned with sadness and sobriety. The great question is: how is it done?

Obviously, the free market capitalist road constitutes the institutional national setting for the most rational allocation of resources and energies that can propel a people into productive

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efficiencies such as to create the human, financial, and productive capital leading to national development. As one Chinese official, head of the local communist cell, now also head manager of a new Hong Kong-financed manufacturing plant near Shandong, stated: "The role of the Communist Party is now to make everyone rich"!

The world-wide recession of the early 1990's has alerted us to the fact that even the developed nations of the west are not immune to the competitive pressures that events have recently and likely will always throw up as challenges to both intellectual and policy complacency.

The Europeans for one have now experienced what the U.S. long ago fell victim to, competition from low-cost suppliers, in this case the imports from Eastern Europe. Steel is one example. While the Europeans, except for Britain, have been fairly successful in limiting Japanese penetration of their markets, the competition from lower-cost producers of world-class computers, in this case the still competitive U.S. and Japan, has effectively neutralized European computer giants such as Philips and Siemens.[5]

For the most part, the European malaise can be attributed to the enormous cost structure of their largely socialized welfare system and the administrative state bureaucracy, which in the case of Italy, for example, doubles the labor costs. The German auto manufacturers, Mercedes and BMW, who plan to build assembly plants in the U.S. (South Carolina) expect to do so at a labor savings of at least 30%.[6]

Given the trend toward privatization in all of Europe, especially socialized France, and the move away from social democratic political leadership, as well as the gradual growth of venture capitalist investment, one can expect that these highly skilled peoples will find new ways to maintain their economic leadership.[7]

The competitive situation in the United States is more serious, and systemic. The latest stage in the now 30 year old process of de-industrialization in the United States involves stalwarts such as IBM, United Technology, Boeing, General Motors, Sears, a large number of merged banks as well as other centerpiece industries once representing American leadership in technology and services.[8]

This latest, early 1990s, shrinking of the American productive base only follows the 1970's loss of consumer electronics, large portions of our automobile industry, home appliances, textiles, etc. During the 1950s, the United States supplied for its own market about 90% of these items. Certainly, given the dislocations in the

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world after the Second World War, it could not have long continued this absolute dominance.[9]

Few doubt that this industrial, technological decline, recognizing the continued power of the United States in computers, software, micro-processors and drugs, among others, is symbolic of a nation that has lost its seamless productive dominance and thus its potential for achieving universal middle class economic and social standards for a large majority of its citizens.[10] The pumppriming option of deficit financing by the various public and private American political and financial institutions is no longer possible. The credit line has run out.

The build-up of enormous private wealth over the entire span of the 20th century, as well as the importation of relatively cheap products from the developing world, masks the extent of this pulling of the productive rug from under the U.S. and thus the full extent of its potential unemployment crisis, including the impending sharp reduction of the governmental safety net that still softens the pain for many.[11]

The economic struggle is sharply underlined by the context of educational and cultural decline which some see as the fundamental cause of the American economic slide. Indeed, the competition from cheap producers around the world has helped to limit wage-rate increases over the past ten years, thus rendering large proportions of the economically viable technologies in the United States capable of managerial tightening in efficiency. The U.S. still registers a trade surplus with Europe when the latter is not in recession.[12]

One cannot momentarily evaluate the competition of nations for a higher position in the production hierarchies from the standpoint of yesterday or today. We are in an ever more dynamic and fluid set of historical relationships. What was once thought to have been the American century, the 20th, now appears to be concluding on a decidedly northeast Asian note, with the Japanese "co-prosperity sphere," of the pre-World War II 1930s, a bizarre but pregnant auger of things to come. Subtract for Japan a deviating if horrific 15 year period from 1930 to 1945.[13]

The American Dilemma

What passes as a peculiarly American dilemma should be seen as a story that can be repeated around the world. The problem is a universal one, if only made to seem especially American. This is largely due to the impact of the United States on the 20th century world scene.

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The problem is constructed from a modern economic consensus arguing that the future of nations will not be determined by: financial investment wherewithal; available home natural resources; entrepreneurs interested in establishing local productive facilities. Lester Thurow, Robert Reich, Robert Kuttner, and Jeffrey Garten, politically "liberal" economists, all agree that the crux of a nation's position on the affluence hierarchy depends on the general skills of the home nation's work force.[14]

This in turn depends upon the efficiency of a nation's educational system. First, of course, the elementary and middle schools must produce competency in basic literacy in the entire population. By the time individuals reach the age of 13 or 14 they should be able to read and understand fairly complex written materials, be able to write a communicable and relevant paragraph or two about an issue beyond their own direct experience, and of course be knowledgeable and skilled in some basic arithmetic functions. A 14-year-old should be able to understand and accurately use a bus or railroad time table.[15]

The second phase of national educational development would be the creation of a truly world-class secondary educational system. Given the Japanese and European achievements in this regard, especially when utilized as a terminal formal educational setting by such a large percentage of these populations, it is clear that the high school constitutes the educational touchstone for further national economic development.[16]

Finally, the kinds of higher educational institutions which gave France and Germany their leading roles in the 19th century in the development of a scientific and industrial culture, and did the same for the United States in the 20th, constitute the foundations for permanent progress and leadership in both the international cultural as well as economic spheres.[17]

Lester Thurow has argued that proprietary scientific, technological, and intellectual inventions *per se*, those which might emanate from his own MIT, are no longer crucial, as the financial and economic leadership of a nation now depends more on the exploitation of "process" technologies than on the primary invention of such frontier concepts.[18]

One can counter this argument. Unlike the post W. W. II period when so many technologies were available for efficient development in terms of process, future decades may very well see the proprietary patenting of new techniques when they are developed by the home country, subject, of course, to the establish-

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ment of international recognition and supervision of such proprietary rights over "ideas."

Further, the explosion of international industrial espionage which is reported to exist amongst the competing national industries, argues that we may very well be entering a stage of history when more than process becomes central to a nation's economic destiny. It will be the ideas themselves that form the grist of rapid internal development. They will no longer be out there in the public domain for the ready and waiting, while the creators, as with the U.S., remain asleep at the switch.

At this point in national development, advanced institutions of research and teaching do become extremely important. The Japanese, supposedly laggards in this regard, are now attempting to upgrade their own university research programs, establishing independent research laboratories comparable to the Bell and IBM models.[19] They are also establishing satellite research labs associated with their various frontier industries, Fujitsu, Mitsubishi, Sony, etc., in certain American research centers: Princeton, N.J., Palo Alto, Ca., Cambridge, Mass., Austin, Texas. Employing resident U.S. scientists, they can afford to pay munificent salaries as compared to their American peers, given the weakness of the dollar as against the yen.

Indeed, the U.S. itself profits from such international intellectual parasitism. Roughly 50% of the graduate students in engineering and the physical sciences that are enrolled in the premier research universities in the United States are visiting foreigners. Roughly half of these elect to stay on and take positions in America's leading industries, often becoming independent entrepreneurs. The continuation of this American advantage, of course, depends upon the existing reservoir of great American universities continuing to maintain both their eminent faculties as well as student bodies in an urban and social environment that remains attractive for the best minds in the world.

The bad news is that the achievement levels of the average American 17 and 18 year old have slipped relative to 30 years ago, and at an alarming and continuing rate. Competing nations in the developed and developing world are now concentrating intensively on the education of their own indigenous populations.

We have seen the SAT scores of American students preparing for college decline by about 10% over the past 20 years even while educational expenditures have risen greatly, and a successive series of curricular and organizational reforms have been vainly instituted to stanch the decline.[20] These students repre-

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senting the best of our academic achievers are ostensibly the creators and entrepreneurs of tomorrow.

A recent analysis of this decline, by Richard Herrnstein and Charles Murray, argues that the 50 point decline in the Verbal SAT and the 25 point decline in the Math SAT reflect a general educational achievement fall-off in the top quartile of our high school students. The more general achievement levels of all high school students seem to have held to their traditional levels of the late 1950s and early 1960s.[21]

These data confirm the general sense by college teachers of an ongoing decline in the skills of this cohort of incoming college students. But more serious is the paucity of the once considerable group of extremely high achievers, especially in the verbal areas which are more "*g*", general intelligence, sensitive, intellectual manipulation, as compared to routine math procedures.[22] These figures argue for the reality of the drying up of great talents at the top, and may go some way toward explaining our lethargic contemporary economic profile.[23]

For example, in 1962, 912,204 students took the SAT, 964,684 in 1983-84. In 1962, 19,099 scored over 750 on the SAT Verbal, range, 200-800. In 1983, only 1,588 scored over 750 on this section of the SAT, dropping to 986 in 1988.

In addition there is now a rich literature on international educational achievement comparisons carried out by and largely by our own ETS (Educational Testing Service) of Princeton, N.J. These reveal an even more serious set of comparative data which underlines the larger significance of the economic shrinking of our national technological position.

Examples of this decline of American verbal, mathematical, and science skills relative to the rest of the world are now conclusive. In the mid-1980s it was shown that the top 1-2% of our 17-year-olds still in school, then about 76% of the cohort, were achieving in mathematics about on a par with the average 17 year old Japanese high schooler in mathematics. The top 5% of our students were already slightly below this Japanese standard.[24]

In a variety of testing situations during the past decade the United States high school seniors and junior high 13 year olds have scored well below the developed world, now including the Chinese on Taiwan and Hong Kong, as well as the Koreans. In some cases we barely equaled the scores of Irish high school math and science achievement, or that of Spain, now rapidly modernizing nations.[25]

The most recent international tests, reported by ETS for

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1992, compare math and science achievement levels of 13-year-olds.[26] This is -n age level that begins the predictive cycle. Testing at earlier ages has proven less reliable. In the United States, ever since the famous longitudinal Stanford University study of Lewis Terman begun in the 1920s, to discover intellectual talent at the highest levels, minimum I.Q. 140, 13-year-olds have been the age of discovery and predictability.[27]

The more recent SMPY, Study of Mathematically Precocious Youth, originated by Julian Stanley at Johns Hopkins University in 1971, also has utilized the 13-year-old level as the pivotal predictor age to discover and separate these talents for special educational advantage.[28]

The 1992 ETS study included mainland China. But because so many Chinese 13-year-olds were in lower grades than 7th or 8th grade, and others no longer in school, the sample from the approximately 1.2 billion population of China was "only" 425 million, thus earning for these remarkable math scores, an asterisk, removing them from the statistical reliability standards.[29]

The Korean and Taiwanese math scores at about 72-73 compared very well with many European nations, including Russia and Hungary, then in political and economic chaos, these at about the 69-72 level. The United States 13-year-olds came in at the periphery of the developed world, at 55.[30]

Most interesting was the score of "80" achieved by the aforementioned mainland Chinese, with a per capita gross domestic product income in the $300-400 per year level at market exchange rates, as compared to almost $20,000.00 per person GDP in the United States. The U.S. expends 7.5% of GNP on education. Only Israel, with about 10% of its much smaller GNP, spends a greater portion on education.

Combine this overall decline in educational achievement at the highest levels of educational attainment SAT scores over the past 30 years with the generally dismal international comparisons of American achievement levels, both at the 13- and 17-year-old stages, we see a decline which points beyond mere educational efficiency.

In one stroke, we can here understand the economic and cultural disaster in the making, that is the United States today. It is underlined by soaring illegitimacy, family breakdown, divorce, single parenting, violent crime, drug addiction and AIDS, homelessness. All in all, this offers a general symptomology of behaviors, with their powerful statistical confirmation, that supports a wide ranging constellation of evidence arguing for the fact there

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has come to be in the United States over the past 25-30 years, a demographic shift in the population toward lower levels of intellectual and thus cultural, educational, and inevitably, economic achievement.

Demographic Implications

The shift in the United States' demographic and cultural profile from a formerly European demographic base to one which is euphemistically called "multicultural" is a fact, rather than a mere ideological musing. Evidence is that, given current trends, the population of the United States in the second decade of the 21st century will be at least one-third non-European. By the mid-21st century, with an estimated minimum population between 350-380 million, it is not beyond statistical possibility that the present 20% of the population that is either Black or Hispanic will grow to close to an overall nonEuropean level of 50% of the American population.[31]

There is nothing intrinsically unfavorable for the international destiny of the United States about such an ethnic composite. The reality, however, is that the present educational and cultural profiles of these groups reflect achievement and behavioral characteristics which have to a great extent lowered the international competitiveness of the U.S. This is especially important, as Peter Brimelow of *Forbes* has shown, racial, ethnic and gender quotas and the bureaucratic and legal costs may be costing the United States almost 4% of its GNP today ($236 billion in 1991) as a tax on maximum efficiency.[32]

For example, in all the internal tests of verbal, science, and math achievement, African/Americans who comprise 12% of the population, rarely produce more than <1% of those students deemed college-ready at 17 years of age. The total American percentile of such readiness is a dismal 6-7%, with Hispanics at about < 2% (although around 8-10% proportion of the non-illegal alien population), and a very high dropout rate. Whites produce a readiness cohort in the 9% area.[33]

In SAT achievement scores, though there has been some marginal improvement in African/American scores, the latter still lagged some 200 out of full 1600 points behind white students. Some 73.5% of the African/Americans who took the verbal SAT, range, presumably the elite students in this ethnic group, scored below 400, compared to the 32.5% of the whites, who were presumably not college prepared.[34]

A once-great university such as the University of California-

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Berkeley, uses for admissions, a quota for each of its ethnic groups, including the high-achieving Chinese and Korean minorities. Hispanics and African/Americans were admitted to this once premier public institution of higher education with the following combined SAT scores in 1988: 979, Black and 1033, Hispanic, compared with 1269, Asian and 1267, White. The result is a first year class in which White students account for 32.6%, Asians 21.2%, Hispanics 20.9%, and Blacks 11.2%.[3536]

The decline in overall achievement levels at the highest levels is now also affecting the White population, and adds one additional piece of evidence that the present American decline in creative entrepreneurship as it affects the broader destiny of the entire population profile is likely to continue contracting. There are few who would today deny that the intellectual and educational achievements of a nation powerfully impact on the ability of that nation to create and produce those technologies and services which the educated middle classes of the world desire.

A small example of the manner in which services themselves are impacted on by the cultural profile of a society is to be seen in the tourist industry. In the past Mexico and the Bahama Islands have been negatively affected by reports of attacks on tourists by criminal and underclass elements in these societies.

The recent series of murders of foreign tourists in Miami by underclass gangs has elicited an enormous outcry in Europe. The beautiful climate, the splendid beaches and waters, the sumptuous hotels produced by the entrepreneurial classes, have been economically compromised by the in situ existence of these tragic underclass populations who do not have the educational and social skills to become part of the economic culture. Their existence in effect has undermined this valuable industry, at least in terms of foreign purchasers of these services.

There may very well come a time early in the next century when the overall productive skills of the American population is at such a low international level, perhaps close to Third World impotence, that the recent investments that foreign firms have made in the U.S. to take advantage of a cheap dollar, labor costs, and closeness to a still significant domestic market, will dry up. The labor will be too poor in overall quality considering its relative expense and the middle class market too small to maintain such investments.

International Economic Report Card

The comparison between the United States and Western

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Europe is crucial in this recession period, 1993-94. Analysis of the European downturn centers on the impact of high German interest rates on all the EC economies. The Bundesbank has held interest rates up because of the inflationary impact of almost $100 billion per year being invested in the former eastern zone of Germany in order to bring that sector of the nation up to the standards of the German Federal Republic.[37]

But, in addition, all of Europe suffers from a socialistic/-bureaucratic bloat which has inflated production costs to the point where U.S. as well as Asiatic goods are cheaper on the world market. With the recent arrival of bargain basement East European steel and other goods now searching for a hard currency market, the impact on the nations of the EC has been to smother the economic expansion and to incur serious, and unprecedented, high unemployment.

But these negatives are remediable. In the background is a modern productive infrastructure, much new venture capitalism to take advantage of a growing research capability in all the European nations, and above all an extremely functional group of educational systems now graduating educated youngsters from Ireland and Spain, all the way into Eastern Europe, including Russia itself.[38]

A leaner, more competitive Europe, even with a less bloated standard of living, will still produce for its citizens a civilized life-style, with most of the traditional cultural as well as material amenities in place, even as they work a bit harder for their fruits.

The situation is quite different in the United States. The competitive regimen that American industry has undergone in the last half dozen years has created a truly leaner and modernized market economy. But the price has been jobs. The number of high-paying jobs for this population of over 250 million people has dwindled radically to a bit over 18 million in manufacturing, as compared to the tax incubus of supporting about 19 million in government.[39]

There are now too many part-time and temporary jobs being added to the optimistic calculus of employment that is spun out of the Labor Department in Washington, D.C. each month.(40) Given the existing educational productivity of the nation, the long-run outlook for the large majority of the population does not auger well. Parallel to the down-sizing of the great corporations there should have occurred much more new productivity in the frontier industries to take up the slack.

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That this is not happening on anywhere near the scale needed for the United States to long maintain its technological and economic leadership in the world is the dirty little secret that Mr. and Ms. America are not hearing. Too much of the investment wealth that is still pouring into the market place is "old" money derived from the surpluses of a generation ago.

In short, the wise people know that down the line, into the first decades of the 21st century and beyond, there may not exist a productive infrastructure that as recently as the 1980's was able to sop up millions of college-educated individuals in a wide variety of support and service occupations.[40]

As the United States enters a period which Albert Shanker of the American Federation of Teachers has labeled the "dumbing down" of America, the systemic character of our ongoing recession will be fully revealed. Millions of under and unemployed individuals clambering for the life styles of their grandparents, and with such an expectation blaring forth from the propaganda machine of the media egalitarians, could constitute a destabilizing element on our fundamental democratic political forms.

But what can be done for a nation that cannot produce the intellectual and educational infrastructure that once created the industries, technologies, and consequent luxuriant wealth for its masses? What can be predicted for the economic destiny of a once-advanced nation with a proliferating population of the permanently poor? Even for that minority of the fortunate, life in the United States in the 21st century might be akin to that now lived above the earthquake faults in an already trembling, if seemingly benign, California setting.[41]

ENDNOTES

1. The positive trade balances of Japan and Germany are axiomatic; see *The Economist*, 10/5/91. As of 1991, Germany is the world's biggest creditor. Less well known is the enormous trade surplus that is catapulting a small, resource-lacking nation such as Taiwan into middle-class affluence. *The Economist*, 5/22/93, estimates that investment in mainland China by Taiwan business jumped from $3.4 billion in 1991 to somewhere between $15 and $20 billion by the end of 1992. Of the approximately $55 billion invested in the four ASEA nations, Thailand, Malaysia, Indonesia, and the Philippines, between 1985 and 1991, Japan invested 21.2%, and Taiwan, with a population of 20 million, invested 17.6%. *The Economist*, 5/8/93.
2. Recent reevaluations of the G.D.P. of developing or Third World countries, such as Brazil, have increased the G.D.P. per person from $2,520.00 to $4,946.00. There is no question but that the bulk of the increase

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is created by the more productive and affluent segments of society. (*International Monetary Fund*, "World Economic Outlook," May 1993; U.N. International Comparison Program).

3. This figure is an extrapolation from the statistics of late 1992, in Figgie, H. E. Jr., and Swanson, G. J. 1992. *Bankruptcy 1995*. New York: Little Brown, p. 70.

4. Nearly 70% of China's urban households have color television sets, 81% have washing machines, *The Economist*, 5/15/93. This works out to a purchasing power parity of $2,460.00 per person, 1.2 billion population, or the third biggest economy in the world. Total exports and imports for 1992 showed China as the 11th largest trader in the world, $165 billion. Mainland. *The Economist*, 5/29/93/. Mainland Chinese GNP rose 12.8% in 1992.

5. See *New York Times*, 9/25/92, on the explosive expansion of the low-cost Taiwanese computer production. From a relatively low-tech $8.5 million of computer products in 1980, the Taiwanese have become third in the world, behind the U.S. and Japan by 1992, with $7.6 billion production, the leader in components: systems boards and monitors, most made for the international computer corporations.

6. See *New York Times*, 3/21/93, on the rush of the U.S. and other foreign auto companies to Mexico to take advantage of rising skill levels and still very low wages. This was the reason for BMW and Mercedes to make the plunge in South Carolina, a highly-paid domestic workforce, unable to compete price-wise with low-wage Asiatic workers in the U.S. luxury car market. Solution: Find adequately skilled U.S. workers in the semi-rural U.S. south. See also Levin, D. 1993. "What BMW Sees in South Carolina," *New York Times*, 4 April.

7. The "European Venture Capital Association" estimates that venture capitalists have poured more than $6 billion into European enterprises in 1992, 6% more in dollars than in 1991. This is up from $4.2 billion in 1988. *The Economist*, 5/29/93.

8. It is estimated that 150,000 high-paying jobs have been lost in the downsizing of these American stalwarts. Lloyd Bentsen in 1991, "Speech to Sematech" in Austin, Texas, *Network News Media Reports*(6 July) stated thst 2.6 million U.S. industrial jobs had been lost since 1979.

9. Reich, R. 1991. *The Work of Nations*. New York: Knopf, pp. 43-57. Thurow, L. 1992. *Head to Head*. New York: Morrow, p. 29.

10. The spread between high school and college graduates' long-term income has increased 25% in the past 20 years. Real average weekly earnings have dropped by 12% since 1969. (I. Magaziner et al. 1990 "America's Choice: High Skills or Low Wages," National Center on Education and the Economy, June: Rochester, MI.

11. "Economists are increasingly persuaded that the rising inequality cannot be explained by anything as simple as greed, politics, or foreigners. They look to something more deeply ingrained in modern industrialized economies: call it technology for short." *New York Times*, 4/19/93. See also Reich, R. 1991. *The Work of Nations*, op. cit., pp. 203-204. "Among full time, year-round workers, the number who were poor climbed [1978-1987] . . . by 43%."

12. One clue to this U.S. advantage is the fact that our premier European competitor has manufacturing labor costs of $25.00 per hour to the U.S.

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$16.00. Source: Morgan Stanley, 1993.

13. Wolf, L. 1991. *New York Times*. "Demystifying the Japanese Mystique," discussion of "Pacific Rising" which argues that the source of Japanese prosperity is investment. 24% of GNP compared to U.S. 16%. Also, Sterngold, J. 1991, *New York Times*, 10/6/91, on the irreversibility of the Japanese lead. Japan's trade surplus in 1992 was $132 billion, but only $84 billion if imports of services had been included (MITI, 1993). Estimates for 1993 are for a trade surplus of $200 billion, $78 billion with U.S., *The Economist*, 5/15/93.

14. Garten, J. E. 1992. *A Cold Peace*. New York: Times Books. Kuttner, R. 1991. *The End of Laissez Faire*. New York: Knopf. Reich, R. 1991. *The Work of Nations*. New York: Knopf. Thurow, L. 1992. *Head to Head*. New York: Morrow.

15. The 1990 National Assessment of Educational Progress (NAEP) writing examination of U.S. 11th graders offers an interesting mirror of contemporary achievement. Nearly half of these students, with barely one year to go before graduation, could not write a minimally acceptable paragraph describing "a haunted house." Only 2% of these students' writing samples would have indicated that the students were prepared for college work a year hence. This compares with German and French high school students who are required to submit to a four-hour essay exam on subjects such as "the development of the U.S. presidency since World War II." 30% of the Germans and 50% of the French pass such exams. See Shanker, A. 1993. "Where We Stand," *New York Times*, 11 July.

16. About 96% of Japanese youngsters graduate from high school, compared with 72% of our own. See McKnight, C. C., 1987. *The Underachieving Curriculum: Assessing U.S. School Mathematics from an International Perspective*. Champagne, IL: Stipes Pub. Co., p. 17. Hodgkinson, H. L. 1989. "The One System," The Institute of Educational Leadership, p. 13. In the history of science, it is universally agreed that the specialized elite technological academy set up by Napoleon provided France with an enormous impetus toward modernization in the first half of the 19th century. Germany's marriage of the research university with industry first showed its mettle in the destruction of the French army in the Franco-Prussian War of 1870. The German university was the model for all ambitious modernizing scholars during the second half of the 19th century.

18. Thurow, L. 1992. *Head to Head*. New York: Morrow, pp. 45-51, passim.

19. A *California Management Review* article of D. Mowery and D. Teece of University of California, Berkeley, argues that Japanese firms are investing more on research and development than are U.S. firms and doing so without substantial government funding. They are today exporting technology. In 1980, patents in U.S. by nationality of originator: U.S. 60.4%; Japan 11.5%. In 1989, these figures were: U.S. 52.5%; Japan 21.1%. By 1990, foreign firms had established 141 labs in Japan for research and development, spending $1.42 billion. Source: *The Economist*, 5/22/93.

20. Shea, C. 1993. *Chronicle of Higher Education*, 13 Jan. Though more students took the SAT in 1992 than in 1972, only 75,243 scored over 600; the Verbal Test as against 116,630 in 1972. Selective colleges show a declining Verbal score of between 40 and 70 points. See also Singal, D. 1991. *Atlantic*

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Monthly (Nov.). Thirty percent of freshmen now need remedial help in reading and writing.

21. Herrnstein, R., and Murray, C. 1991. "What's Really Behind the SAT-score Decline?" *The Public Interest.*

22. Santy, P. 1994. *Choosing the Right Stuff.* Westport, CT, Praeger (in press). Santy reports on the testing of the astronaut candidates for Mercury and Gemini in which Verbal IQs were the most predictive intellectual test for choosing the successful candidates.

23. See the interesting analysis of the causes for this decline in Odom, G. R. 1990. *Mothers, Leadership, and Success.* Houston: Polybius, pp. 269-272.

24. McKnight, C. C., et al. 1987. *The Underachieving Curriculum: Assessing U.S. School Mathematics from an International Perspective,* op. cit. (Jan.).

25. Lapointe, A. E., et al. 1989. *A World of Difference.* Princeton, NJ: ETS (Jan.), p. 17.

26. Lapointe, A. E., et al. 1992. Learning Mathematics. IAEP, Princeton, NJ: ETS (Feb.).

27. Terman, L. M. 1925. Mental and Physical Traits of a Thousand Gifted Children. Stanford, CA: Stanford University Press. Terman, L. M., and Oden, M. H. 1959. *The Gifted Group at Midlife.* Stanford, CA: Stanford University Press.

28. Stanley, J., et al., eds. 1974. *Mathematical Talent: Discovery, Description, and Development* Baltimore: Johns Hopkins Press.

29. Lapointe, A. E., et al. 1992. op. cit., p. 10.

30. Lapointe, A. E., et al. 1992. op. cit., pp. 16-17 (Chart, March, 1991).

31. The illegitimacy rate has "progressed" from 1.7% for whites and 16.8% for blacks in 1950 to 16.1% for whites and 66% for blacks in 1989. According to Albert Shanker, President of "The American Federation of Teachers," the overall U.S. illegitimacy rate of 26% to 28% in 1989-90 is expected to reach 33 1/3% by 1995. See Shanker, A. 1993. "Where We Stand," *New York Times,* 6/6/93.

32. The U.S. Bureau of Census, which has consistently erred by understating future population growth, estimates a high end population of 419 million by 2050. Source: *The World Almanac 1991,* p. 554.

33. Brimelow, P., and Spencer, L., 1993. "When Quotas Replace Merit, Everybody Suffers," *Forbes,* Vol. 151, No. 4 (15 Feb.):80-102.

34. U.S. Department of Education. 1986. "The Reading Report Card," *NIE-NAEP* (May) Tables 81-87. Mullis, Ina V.S., et al». 1991. "The State of Mathematical Achievement," NAEP-ETS," National Center for Educational Statistics (June). "Fewer than half the high-school seniors (46 percent) demonstrated a consistent grasp of decimals, percents, fractions, and simple algebra [7th grade] and only 5 percent showed an understanding of geometry and algebra [11th and 12 grades] that suggested preparedness for the study of relatively advanced mathematics," p. 7. See also this article, footnote 15. Arbeiter, S. 1984. "Profiles, College Bound Seniors, 1984," College Entrance Examination Board, Table 10.

36. Sowell, T. 1992. *Inside American Education.* New York: Morrow. Cited in *Boston Herald,* 2/4/93.

37. *The Economist* "The economics of European disintegration," 22 May.

38. McKnight, C. C., et al. 1987. "The Underachieving Curriculum," op. cit.

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Lapointe, A. E., et al. 1992. *Learning Mathematics*, op cit.
Both these studies underline the high achievement levels of 13- and 17-year-olds behind the "Iron Curtain," even during a period of extreme social turmoil.
39. Kathleen Camilli, of Maria Ramirez Capital Consultants, stated "Manufacturing jobs have gone overseas. Government jobs, on the other hand, have not been exported." (Reported in *New York Times*, 7/19/92.
40. Uchitelle, L. 1993. "Staunching the Loss of Good Jobs," *New York Times*, 31 Jan.
41. The real California earthquake "fault" is, of course, unrestricted legal and illegal immigration, which has changed that once "land of milk and honey" into a social nightmare, 300,000 mostly poor immigrants being added each year. Now, an $11 billion-dollar state deficit is savaging social and educational services. Los Angeles, in 1992, had a $400 million educational deficit. It was expending $4,187.00 per child, per year on public education, now one of the lowest expenditures on schooling by any city in the U.S. Bouvier, L. 1991. *Fifty Million Californians?* The Federation for American Immigration Reform. Gross, J. 1993. "Los Angeles Schools: Hobbled and Hurting," *New York Times*, 10 Feb.

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The 'Hollywood Blacklist" In Historical Context

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In November 1947 the leading executives of the American film industry met at the Waldorf-Astoria hotel in New York City and issued the 'Waldorf Statement,' which declared that they would not knowingly employ a Communist or a member of any group that advocated the violent overthrow of the United States government.

Thus, it is almost half a century since the beginning of what is known as 'the Hollywood blacklist.' There ensued a period of years during which most American film studios shunned, sometimes completely and sometimes just in part, a number of screenwriters, directors, screen personalities and assorted industry personnel who had been actively involved in the Communist movement, usually as Communist Party members and almost always as participants in the many 'front-organizations' controlled by the party.

The action by the film-industry executives followed in the wake of the October 1947 hearings of the House Committee on Un-American Activities inquiring into Communism in the motion picture industry. What is today best known about those hearings is that ten witnesses refused to testify, citing the First Amendment, and were sent to prison for up to a year for contempt of Congress. This group is known as 'the Hollywood Ten.'

Today, as then, American intellectual culture is overwhelmingly to the left. It is a major fact about American life that the articulation of ideas from the media, the universities, the public schools, the major publishing houses, television, the avant garde art and literary cultures, and the like, continually indoctrinates us in the *ethos* and mythology of the Left. It is precisely in that context that 'the Hollywood Ten' have been transformed into martyrs and 'the Hollywood blacklist' has been made a catchphrase illustrating the alleged bigotry and hysteria that the Left has so long argued is inherent in American life. The public has been deluged with documentaries such as *Hollywood on Trial* and *Legacy of the Holly-*

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wood Blacklist; with films such as *Julia*, Woody Allen's *The Front*, and Robert de Niro's *Guilty by Suspicion*; with university symposia, such things as an American Civil Liberties Union commemorative dinner toasting the Hollywood Ten and their lawyers, and a fortieth-anniversary editorial in *The Nation*.

The Most Significant Fact: An Inversion of Values

What is perhaps most important to notice about the 'blacklist' is that the Left has managed quite a startling inversion. (At least, it should be startling; the fact that it is not, but rather is taken for granted as expressing a received truth, is a commentary on just how much we have absorbed the Left's perspective.)

This inverted view pictures the apostles of a totalitarian ideology as well-meaning idealists and innocents even years after it became apparent, to all who cared, that the ideology's leaders were killing millions. Simultaneously, it portrays those who sought to protect a society based on individual freedom as, how? – intolerant, fanatical, self-serving, authoritarian, and contemptuous of the life of the mind. Through the inversion, black becomes white, white black. The totalitarians become the martyrs and heroes; the elected representatives of a free people and those executives of the film industry who sided with them become a personification of narrow and pinched intolerance.

If this inversion were corrected, we would see the 'Hollywood blacklist' in a far different light. We have undergone a warping of perception through years of partisan propaganda.

This warping could hardly have come about without the double standard that the world Left has so long applied to the two totalitarian systems, Nazism and Communism – a double standard that was for many years used to protect one of the totalitarian systems and that persists even today as part of the common perception of twentieth-century history. (Indeed, it does more than affect our perception of modern history;[1] it continues by having a role in the on-going 'culture war' precisely with regard to specific issues such as the 'Hollywood blacklist,' where even today we are induced to take a benign view of those who took part in the Communist movement.

With regard to Nazism, and it's embodiment in Hitler's Germany, we have become accustomed to perceiving it as pure evil. But with regard to Communism and its embodiments in

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Stalin's U.S.S.R., Mao's China, or Pol Pot's Cambodia, we have no such visceral reaction. There are no Holocaust Museums to remind us of the tens of millions of its victims, shot in cellars or in the back of the head as they were forced to kneel. We see no photos of the emaciated millions starved to death as a matter of state policy in the Ukraine famine and we entertain no indelible images of the tragically faceless inmates of the vast Gulag Archipelago.

The fact is that both Nazism and Communism had their "idealistic" features and were not perceived by their supporters as evil. One involved a secular religion of nation, "blood and soil"; the other a religion of class hatred and dreams of universal brotherhood following emancipation from capitalism. Both swore enmity to the the toleration of opposing opinions and justified the use of violence as an essential means. It makes no sense to think of the Nazi as a jack-booted trooper while picturing the Communist in softer, more accepting pastels. Secret police and executions – these would be as much a part of our image of Communism as of Nazism if it weren't for the double standard.

What We Will Do in this Article

The nature of the Hollywood blacklist as an issue makes it essential that I take the reader into my confidence early in the discussion, and that we in effect collaborate together to make it a success. The reader will need to know that the subject is actually much broader than the simple facts of the "blacklist." Those facts can be told simply enough - and I will do so early on. But what is most important is to place those facts in their historic context, both before and after the late-1940s and 1950s. This requires a broader view, and most certainly more patience, than modern readers are accustomed to bringing to a subject. There can, however, be no proper understanding of the Hollywood blacklist without this continuity of attention.

Here, in a quick preview, is what we will do:

First, note the fact of inversion, remind ourselves as forcefully as we can of the totalitarian nature of Communism, and realize the existence of the double standard that has muddied our consciousness of its brutality. I have just spoken to these, but the reader needs to appreciate that they deserve much more attention than I can give them here.

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Second, recount the facts about the 'Hollywood Ten' and the 'Blacklist,' as a specific episode in American history.

Third, understand the events of the '40s and '50s in the context of the long-standing domination of American culture by the Left, which has included but has by no means been limited to members of the Communist Party. We need to grasp this context as it existed before and at the time of the 'blacklist,' but most especially during the decades of the 1960s, '70s, and beyond - a period during which the literary and artistic Left has reigned victorious and has used its dominance to damn every aspect of mainstream American society. The hegemonic vision of the Left – the very opposite of a suppression of leftist ideas – is the principal legacy that has come down to us. We see this in the leftist content of so many films in recent years.

Fourth, grasp Communist ideology as just part of a much more extensive intellectual culture of alienation. The Communist Party members of that day, including the 'Hollywood Ten,' were the tip of a vastly larger iceberg. The problem was so much bigger than "Communists in the film industry" that a certain distortion occurs, by way of diminution, in focusing on that.

Fifth, understand that Communists of the late 1940s and early '50s were the hardcore Stalinists who remained loyal to Stalin (who was still alive and ruling through terror) years after many on the Left had "heard the screams" and abandoned their pro-Soviet stance. The idea that they were naive innocents has no substance; they had stayed with Stalin even while countless others had seen through to the horror.

Sixth, see that all of this has continuing relevance as part of the 'culture war' that has been raging over control of America's self-image, memory, and future direction. How we understand the past – including such things as the 'blacklist' – is pivotal to how we see ourselves, the generations before us, and the generations that are still to come.

Details of the 'Blacklist'

The 1947 Hearings

During the second half of October 1947, the House Committee on Un-American Activities held two weeks of hearings into the issue of Communism in the film industry in the Caucus

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Room of the Old House Office Building in Washington, D.C.

In all, forty-one witnesses were subpoenaed. These included a number of Hollywood personalities who told of Communist penetration of the industry. These witnesses, dubbed "the friendly witnesses" in the literature by virtue of their cooperation with the committee, included the likes of Howard Rushmore (a former film critic for the Communist *Daily Worker*), Ayn Rand (who started her writing career as a screenwriter shortly after arriving in this country as an emigre fleeing Soviet Russia), Gary Cooper, Robert Montgomery, Ronald Reagan (who combined film acting with leadership of the Screen Actors Guild, of which he was a president), Robert Montgomery, George Murphy, and Walt Disney.

Nineteen "unfriendly" witnesses were subpoenaed, of which eleven were actually called to testify. Of those eleven, ten refused to answer questions about Communist Party membership, asserting that the First Amendment protection of "freedom of speech" shielded them from testifying. (It wasn't entirely clear in 1947 whether the Fifth Amendment provision against self-incrimination would provide a legal basis for refusal to testify. If these witnesses had "taken the Fifth," as many did later, it is likely that the courts would have accepted that, and that accordingly they would not have gone to prison for 'contempt of Congress.') The eleventh, the German Communist Bertolt Brecht, who had been in this country, "got off the hook" by dissimulation, if not by outright lying: he told the Committee that he wasn't a Communist – and then, as soon as the hearings were over, left the country for Communist East Germany.

The ten who refused to testify have since been known as 'the Hollywood Ten,' the original nineteen who were subpoenaed as 'the Hollywood Nineteen.' The ten consisted of Alvah Bessie, Herbert Biberman, Lester Cole, Edward Dmytryk, Ring Lardner, Jr., John Howard Lawson, Albert Maltz, Samuel Ornitz, Robert Adrian Scott, and Dalton Trumbo. All ten were or had been members of the Communist Party, although Lester Cole says that at least three of the original nineteenth were not.[2] After each of the ten refused to testify, an investigator for the Committee, Louis J. Russell, provided the Committee with a copy of his Communist Party registration card.

Vote in the House; contempt proceedings

Within days, the House of Representatives voted over-

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whelmingly – by a vote of 346 to 17 – to charge the ten with 'contempt of Congress.' The ten were tried in the courts, found guilty (an appeal by one of them to the United States Supreme Court was lost), and all were sent to prison.

The Waldorf Statement

Also shortly after the hearings were over, on November 24, 1947, fifty representatives of the Association of Motion Picture Producers, the Motion Picture Association of America, and the Society of Independent Motion Picture Producers met at the Waldorf-Astoria. The ensuing declaration stated, as I have mentioned, that they would not knowingly employ a Communist. It committed the producers to discharge or suspend the 'Hollywood Ten,' and not to rehire them until they had declared themselves under oath no longer to be Communists. The statement discussed the potential for an "atmosphere of fear," and pledged the industry not to carry out the anti-Communist policy in a way that would hurt innocent people.[3]

1951-4 hearings

Additional hearings by the House Committee on Un-American Activities were conducted between 1951 and 1954, during which 212 people in the motion picture industry were named as Communist Party members.[4] Some of these, such as Larry Parks and Richard Collins, renounced the Communist Party and testified about CP activities, including the identity of those they had known to be active. Others – such as Lillian Hellman, who had for several years lived with the Communist mystery writer Dashiell Hammett – took the position, which the Left praises as sensitive and heroic, that they were honor-bound not to name names. (If these had been hearings into the Ku Klux Klan such a "commitment to associates" would have been scoffed at as hardly praiseworthy; again, it is only the double standard that causes people to accept the Left's perception.)

Objectives of the Communist Party in the film industry

The most obvious purpose for the CP in Hollywood was to influence the content of motion pictures. It has become standard fare in the literature, and was even reflected in the Waldorf Statement, to say that no 'Communist propaganda' ever got into

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a film, for the reason that movies were worked over, prior to release, by many diverse people.[5]

But this denial is based on a sophistry. For purposes of the argument, 'Communist propaganda' is defined in a severely circumscribed way, as limited to the unique positions taken by the Soviet Union during periods when the 'Communist line' differed from the pro-Stalinist attitudes of the West's predominant intellectual culture. It is not considered enough for a Communist to have succeeded in interjecting a strongly anti-business or anti-bourgeois message - that wasn't 'Communist propaganda,' the argument goes, because leftists in general, not just Communists, were advancing those doctrines.[6]

For example, from 1929 until August 1935, the Soviet Union denounced all democratic socialist and welfare-statist movements, along with its denunciation of everything pro-capitalist, as "social fascist." So it was possible during that period to display a "Communist" point of view that was distinguishable from that of the rest of the world Left. It wasn't possible to do so, however, during the "Popular Front" period that lasted from August 1935 until the announcement of the Hitler-Stalin Pact in August 1939, since the Soviet Union was then full of praise for everybody except Nazis; it even praised 'free enterprise.' This was followed by almost two years of Soviet hostility while the Hitler-Stalin Pact lasted, and again it was possible to appear uniquely 'Communist.' When Hitler invaded the Soviet Union in June 1941, though, Communists again became "as one" with social democrats. This lasted during the war, but in May 1945 a leading French Communist, Jacques Duclos, signaled another abrupt about-face of the Communist line by writing a letter, the famous 'Duclos letter,' that again took a strident line and ushered in the Cold War.[7]

Those who say that the Hollywood Communists never affected film content are, upon examination, saying no more than that the uniquely Soviet attitudes, which existed during periods of Soviet hostility to the democratic Left or to the nations opposing Hitler, didn't find their way onto the screen. They could hardly deny, though, if they bothered to mention it, that the Communist screenwriters, etc., in conjunction with other members of the Left whom they tended to lead, succeeded in getting a lot of anti-business and anti-bourgeois attitudes into films.

One impact on content was to exercise, in effect, a veto over

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anti-Communist film efforts. This veto found ready support in the 'anti-anti-Communist' orientation of so many 'liberals' and social democrats.

Other purposes served by the Hollywood branch of the Communist Party, according to John Cogley in his book on the blacklist, included putting the party into a favorable light by taking advantage of the glamor of Hollywood celebrities; raising money; assisting in the organizational work of the Communist Party within labor groups on the west coast; and creating a pool of talent to assist in the party's own media work.[8] Communists in the film industry were, of course, in a favorable position to secure employment for others. And, certainly not least, members whose participation in the party remained undisclosed were especially valuable as leaders of Communist front organizations.[9]

So important was the Hollywood branch to the party that it was placed under the direct supervision of the party's national office in New York City, rather than under regional or state direction.

Who were they? - the Hollywood Ten

Within the supportive literature itself, there seems no dispute about the fact that each of the Hollywood Ten was, or recently had been, a member of the Communist Party – a fact worth keeping in mind.

Alvah Bessie, screenwriter, was nominated for an Oscar for his part in formulating the story for "Operation-Burma" in 1945. He had served as the drama and film editor for *New Masses* between 1939 and 1943. Prior to that, he was a volunteer in the International Brigades in the Spanish Civil War, of course fighting on the anarchist-Communist side. It wasn't until 1954 that he ceased being a member of the Communist Party.[10]

Herbert Biberman, director, joined the Communist Party in 1934, and worked hard to introduce 'Soviet Realism' into American theater. When the Hitler-Stalin Pact convulsed the world Left in 1939, Biberman was among those who defended it, claiming it was a fascist lie. He is said to have made his place in motion picture history as director of "Salt of the Earth" (1954), a radical film made by blacklistees about a Mexican-American miners' strike.[11]

Lester Cole died in 1985 while still an active Communist and the film critic for *The People's World*. He, too, had joined the party in 1934 (at the time Stalin was starving millions to death to

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suppress Ukrainian nationalism and to force the collectivization of agriculture). Mostly, Cole did scripts for 'B' movies, but wrote "Born Free" and other film scripts under pseudonyms after he served his term in prison. His father, a Jewish immigrant from Poland, had been a militant socialist; and Lester said in his autobiography that he (Lester) had been greatly inspired in 1925 by a revolutionary novel by Maxim Gorky. In the late '30s, he defended the Hitler-Stalin Pact and the Soviet Union's invasion of Finland. (If he cared at all about the U.S.S.R.'s attack, during the same period, on Poland, Lithuania, Latvia and Estonia, his autobiography doesn't show it.) About Julius and Ethel Rosenberg, executed for atomic espionage, he said that they died for a "just cause." Late in life, he attended various film festivals in Moscow and was enthralled by what he saw there.[12]

Edward Dmytryk, a film director whose two best-known movies were "Murder, My Sweet" and "Crossfire," joined the Communist Party in 1944. He renounced the party in 1951 after serving six months for contempt, and testified about 26 others who had been in the party.[13]

Ring Lardner, Jr., son of the great humorist, joined the party in 1936, two years after he travelled to the Soviet Union. "We did play a part, I think, in most everything that was going on in the Hollywood scene. Organizations such as the Motion Picture Committee to Aid Spanish Democracy, the Hollywood Anti-Nazi League, and the League of American Writers would not really have functioned anywhere near to the extent that they did," he said, "without the very active participation of Communists in their forefront." In the '30s, he defended Stalin's purge trials (the great show trials that accompanied Stalin's killing of so many of the original leaders of the Bolshevik Revolution), and the Hitler-Stalin Pact. Otto Preminger ended the blacklist for Lardner in 1960, and he won an Oscar (his second) for his writing of "M*A*S*H*." In the late 1980s, as Communism fell apart in the Soviet Union, Lardner finally joined the train of former Communists who experienced disillusionment. Note, however, the odd lack of emotion: "I think I have come to see that we were quite wrong in our image of Stalin. The mere fact that no society has as yet successfully worked on a socialist basis without impinging on a lot of important freedoms makes me wonder about the basis of it all."[14]

John Howard Lawson was in 1933 the first president of the

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Screen Writers Guild. He wrote radical plays for the New York stage before he moved to Hollywood in 1928, but in 1934, Mike Gold, writing in *New Masses*, accused him of indecisiveness. This stung him into formally aligning with the Communist Party. Over the years, he wrote prolifically for such Marxist organs as the *Daily Worker* and *New Masses*, took part in a large number of front organizations, and was one of those who organized the Hollywood branch of the Communist Party in the late '30s. In 1938, Lawson was among the signers of a manifesto defending the purge trials. The Hitler-Stalin Pact caused him some trouble, but he got over it when Hitler invaded the U.S.S.R. in June 1941. During the blacklist, he managed to keep busy writing motion picture and television scripts under an assumed name. In fact, he wrote the screenplay for "Cry, the Beloved Country" while in prison.[15]

Albert Maltz, screenwriter, wrote several plays in the 1930s that Bernard F. Dick, in *Radical Innocence*, says "reflect the era's preoccupation with political corruption, social injustice, capitalism, union-busting, the munitions industry, and profiteering" [i.e., with all the themes of the militant Left]. It was Maltz's novels, however, that were most heavily Marxist. He was active in the Communist Party and wrote for *New Masses*. Maltz served ten months for contempt.[16]

Samuel Ornitz, screenwriter, born in 1890, became a socialist when he was 12, and took to giving speeches from a soapbox on the lower east side of New York City. In 1919, he wrote a proletarian play under an assumed name for the People's Playhouse in NYC. Later, in Hollywood, he was active in the Communist Party, helped found the Screen Writers Guild, and was prominent in front organizations. He defended the Hitler-Stalin Pact, but became disillusioned with Communism in 1953, the year Stalin died.[17]

Adrian Scott, screenwriter and producer, is spoken of by Larry Ceplair and Steven Englund in *The Inquisition in Hollywood* as a Communist, but I have not found reference to when he joined or left the party. With the assistance of several collaborators, he managed to write prolifically for films and television during the blacklist.[18]

Dalton Trumbo, screenwriter, joined the Communist Party in 1943, remaining a member until 1948. He, too, managed to stay busy during the blacklist, winning an Oscar for "The Brave One"

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in 1956 under an assumed name. (In 1975, the Oscar was presented to him in person by the president of the Academy, in line with the celebration of the Hollywood Ten by the predominantly leftist film culture after the late '60s).[19]

Others who were blacklisted. The Waldorf Statement's expression of intent not to hire Communists led, as we have seen, to a large number of other people's being included in the ban, especially after the hearings of 1951-4. Without attempting more than a sample, here are some of those:

Martin Berkeley was a Communist screenwriter who first denied being a Communist, but later became a friendly witness, testifying in 1951 about 162 others who were active in the party. He became a leader in the anti-Communist Motion Picture Alliance for the Preservation of American Ideals.[20]

Richard Collins was one of the Hollywood Nineteen, but in 1950 offered the FBI his full cooperation and testified about 23 who had been active in the party with him.[21]

Lillian Hellman, perhaps the first internationally- recognized woman playwright, first became active in radicalism in film industry trade unionism. Although she always denied being a CP member, there is some speculation in the literature about whether she joined, and more than one admitted Communist testified that she was active in the party. What is clear is that in 1930 she met Dashiell Hammett, the Communist mystery writer, and that she lived with him for several years. She wrote the movie "North Star" in 1942 that idealized a Soviet collective farm. In 1938, she had signed a *New Masses* advertisement supporting Stalin's purge trials; and she endorsed the Soviet invasion of Finland. She is a hero of the Left for the letter she wrote to the House Committee on Un-American Activities in 1952 claiming that as a matter of conscience she could not name others who had been party members. When she appeared before the committee, she "took the Fifth Amendment" to avoid answering about herself or others. Since the '60s, she has been considered one of the celebrities of the period; and she was honored for her play "Toys in the Attic" and with a National Book Award. She died in 1984. Paul Johnson, in his book *Intellectuals*, acknowledges her talent, but otherwise has little good to say about her, summarizing that "disregard for the truth" was "central to her life."[22]

Arthur Miller, playwright, repeated Lillian Hellman's argu-

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ments almost verbatim in refusing to testify.[23]

Paul Jarrico wrote "Song of Russia" and was the producer of "Salt of the Earth," described as a "militant verite labor film." An article in *Film Comment* says that he was "reputedly second-in-command to John Howard Lawson of the Hollywood section of the Communist Party."[24]

Larry Parks, the actor who played Al Jolson in "The Jolson Story," was the first of the "unfriendly witnesses" to admit he was a Communist and to testify cooperatively.[25]

The Aftermath

Although the fact of "blacklisting" is given prominence in the literature, what also seems striking is the media support for the Communists and the extent that the ban was broken, in effect, by behind-the-scenes collaboration by leftists and 'liberals' in the industry.

Lillian Hellman said in her autobiography that "the press was, in general, very good."[26] Lester Cole tells in his autobiography about the editorial support he received from the *Washington Post*, *Chicago Times* and *New York Times* during the 1947 hearings. "The press didn't let us down."[27]

This is the same phenomenon that in the 1960s was a key to the tactical successes of the New Left: a virtual monopoly of intellectual and moral articulation on the left, putting the militants in a favorable light, while the "silent majority" of the country had very little voice. It all depended on the dominance of the alienated intellectual culture.

The condonation by 'liberals' and other leftists was apparent in many ways. Some examples:

In 1941 the *Daily Worker* serialized Dalton Trumbo's anti-war novel – but this didn't keep him from becoming one of the highest paid writers in the film industry. In 1947, MGM signed a contract with Lester Cole one day after he received his subpoena. In 1956, a vice president of the Screen Writers Guild accepted an Oscar for Trumbo under the pseudonym he had used, fabricating a story that the author was with his wife, who had just given birth.[28]

John Howard Lawson's being in jail didn't keep a friend from lining him up the job of adapting "Cry, the Beloved Country" to the screen.

A 'liberal' friend arranged television assignments for Ring

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Lardner, Jr., in Britain while the blacklist was on. And Adrian Scott became executive assistant to the head of the British division of MGM.[30]

The anti-Communists in Hollywood

There were a number of people in Hollywood - such as Gary Cooper, Walt Disney, Adolphe Menjou, Ronald Reagan, Robert Taylor, John Wayne and Sam Woods - who strongly opposed Communist penetration of the industry. These came eventually to include several who originally were Communists themselves.

Blacklist against anti-Communists

In her book *The Passion of Ayn Rand*, Barbara Branden tells how "considerable pressure was brought to bear on the anti-Communist witnesses to prevent them from testifying. Many of them were told, tacitly or openly, that cooperation with the committee would be professionally damaging to them." She says that "everyone who had testified *for* the committee – not the big stars, but the lesser-known actors and writers ... lost their jobs."[31]

In his book *Report on Blacklisting*, John Cogley says "the 'blacklisting of anti-Communists' was highly informal." He adds that "there seems little doubt that Communist Party members in Hollywood, during this period, ... exploited their close relationship to, and influence over, producers to discourage them from hiring anti-Communists."[32]

Don Feder, writing in the conservative *Human Events*, says that "Morrie Ryskind, screenwriter for several Marx brothers movies, told how the Reds smeared such anti-Communist actors as Adolphe Menjou, accusing them of being anti-Semites or Nazis. There were death threats against those who opposed them ... Ronald Reagan ... took to wearing a gun in self-defense."[33]

Joseph Farah has written in *National Review* that "it was the Communists themselves who first instituted censorship and blacklisting in the movie industry. Lardner, for instance, was among a group that circulated a petition at MGM to halt production on a film whose political content they disagreed with. Trumbo once boasted in a bylined article in the *Communist Worker* that ... agents within the industry were able to spike 'reactionary' and anti-Soviet scripts."[34]

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This is a blacklist that continues even today, long after the leftists, for their part, have returned to the industry. Harold Johnson, a writer for the *Orange County Register*, told in early 1993 about how an interviewer had made actress Shannen Doherty feel uncomfortable ("sweat BB"s") because she had led the Pledge of Allegiance at the 1992 Republican national convention. And when Michael Medved was about to write his book on leftist domination of today's film industry, he was sternly warned of the consequences: "You're going to become the most hated man in Hollywood."[35]

I am not to be understood as posing a moral equivalency between shutting out anti-Communists and closing the doors to Communists – any more than I would between anti-Nazis and Nazis. An equivalence would again be based on the moral inversion and on the double standard that embraces a benign view of Communism.

Victory by the Left: Its Eventual Domination of Film and of American Culture

Despite repeated denials in the literature, based on the sophistry I have mentioned, Communist propaganda made its way into many films in the 1930s and '40s. Talking in his autobiography about the movie "Liberty" in 1936, Lester Cole says "I saw an opportunity for a politically oriented subtext, which eventually took over ... The desperate farmers and cannery workers get together, form a cooperative, illegally take over the cannery, and start production on their own. The conflict, of course, is with the big corporation ..." He says that Herbert Yates at Republic reacted by ordering, "put that Communist sh*t on the shelf. We're not releasing it"; but that the film was later put into distribution anyway – to the "high praise" of the trade papers.[36]

Cole says that "in 1937, a truly revolutionary film appeared: a Warner Brothers production of 'The Life of Zola'... It held nothing back. The power elite and the military were mercilessly portrayed as corrupt tyrants, immoral, deceitful and willing to go to the most inhuman lengths to preserve the power of the explicitly described ruling class."[36]

He tells how two top films – "Mr. Deeds Goes to Town" and "You Can't Take It With You" – were satires about "the corporate control of the country." And he adds that "'The House of the Seven Gables,' in 1940-41, showed Northern capitalists of 1850

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engaged in illegal slave trade; it was a radical bombshell." Examples could be cited at length.[38]

Far more important, however, has been the leftist domination of American media, and most especially of Hollywood, since the '60s. This has not amounted to a specifically 'Communist' domination, but to a heavy preponderance by the alienated Left in general. (I remember watching a television panel in Chicago in 1968, made up of representatives of radical groups, in which the Communist on the panel was described by the others as the least militantly radical among them.)

By the '60s, the American Left had itself gone through a significant transition. Right after World War II, the Americans for Democratic Action (ADA) was established by 'liberals' who did *not* want to collaborate with Communists, as had been done during the war and earlier during the Popular Front. They favored a clear delineation between 'liberals' and Communists. Those who didn't support this threw themselves into the Progressive Citizens of America (PCA), in which Communists played a major role, and backed Henry Wallace for president in 1948.

Although an anti-Communist wing of the Democratic Party and of 'liberalism' remained, as represented perhaps most conspicuously by Senator 'Scoop' Jackson, any principled unwillingness to collaborate with Communists tended to disappear in the second half of the 1960s. Communist representatives were welcome at the 'New Politics Convention,' held in Chicago and keynoted by Martin Luther King, Jr., in 1967. For most of the American Left, a philosophy again took hold of "no enemies on the Left."[39]

Now, for at least twenty-five years, films have poured upon the American scene (and upon the world, whose peoples see us primarily through these pictures) presenting a more and more extreme leftist worldview. Probably the best account of the several dimensions of this assault is given by Hollywood film critic Michael Medved in his 1992 book *Hollywood Vs. America: Popular Culture and the War on Traditional Values*.[40] "Americans are passionately patriotic, and consider themselves lucky to live here," Medved says, "but Hollywood conveys a view of the nation's history, future, and major institutions that is dark, cynical, and often nightmarish." Films emphasize "every possible failing of America and its institutions."[41] He devotes sections of his book to the cynicism and depravity, the attack on religion, the assault on the family, and the

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glorification of ugliness. In addition, he tells of the countless alienated sub-themes portraying the likes of abusive husbands, corrupt parents, criminal capitalists, hypocritical priests, and venal cops.

In fact, the predominant film culture has been carried beyond cynicism and alienation, and into depravity, becoming nothing short of pathological. The 1960s Berkeley 'filthy speech' movement led directly into the inclusion of obscene language in most movies, including, Medved says, "in 'family fare' where it is least expected."[42] An example of the pathology is the acclaimed film "The Cook, the Thief, His Wife and Her Lover" in 1990: "... thugs tear the clothes off a struggling victim in order to smear his naked body with excrement. They force filth into his mouth and rub it in his eyes, then pin him to the ground while the leader of the band proceeds to urinate, gleefully, all over him. The 'fun' proceeds in much the same spirit, for two all-but-unbearable hours. We see sex in a toilet stall, deep kisses and tender embraces administered to a bloody and mutilated cadaver ... Naturally, the critics loved it."[43] Sado-masochism, and a recent celebration of cannibalism in several films, attest to the pathology.

The anti-Christian aspect is well illustrated by the Martin Scorsese remake of "Cape Fear." Medved says "there is a new twist: the released convict is not just an ordinary maniac, but a 'Killer Christian from Hell.' To prevent anyone from missing the point, his muscular back has a gigantic cross tatooed on it, and he has Biblical verses tatooed on both arms. When he is about to rape the attorney's wife, played by Jessica Lange, he says, 'Are you ready to be born again?'"[44]

Many of today's films build on the 'politically correct' themes insisted on by the Left. For example, "At Play in the Fields of the Lord" is, Medved says, a "rainforest spectacle about natives and their wholesome primitive ways and the sick, disgusting missionaries who try to ruin their lives."[45]

There is no substitute for reading Medved's book in full, although that will be more important for members of future generations than it is for our contemporaries, who can readily give examples from the films they've seen. Those who are unaware of the propaganda assault and the pathology are those who wish not to see it; many Americans live in a state of denial and are conditioned not to acknowledge that anything (other than conservatism)

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is "ideological." They simply let the propaganda wash over them.

Their silence, though, doesn't tell the whole story. Many Americans act toward films in the same way the "silent majority" acts toward many things, which is by avoidance rather than confrontation (just as with "white flight" they left the inner cities and are now leaving California). American film viewers have been "voting with their feet" during all of this period of ideological excess. Medved points out that the depravity is *not* a response to public demand, but just the opposite. Films would make far more money if they were wholesome, not depraved. He analyzes the statistics about film attendance, and shows that such variables as television, home video and cable account for only part of the enormous drop in attendance. A major decline coincided with the New Left takeover in the late '60s: "Weekly attendance figures plummeted from 44 million in 1965 to a pathetic 17.5 million in 1969" – and the viewers have never returned. "Between 1965 and 1969 the values of the entertainment industry changed, and audiences fled from the theaters in horror and disgust."[46] It is commonplace to say that the public demands 'R rated' movies, but in fact attendance figures show that it is the 'G' and 'PG' films, with far less cynicism and depravity, that succeed at the box office. The Hollywood Left is, as the saying goes, "cutting off its nose [at least financially] to spite its face." Ideology, and acceptance by one's peers in the intellectual-cultural community, are far more important to it than money.

A Profoundly Alienated Intellectual Culture: Far More Pervasive than 'Communism'

One of the more salient facts about modern Western history has been the alienation of its predominant intellectual-artistic culture from mainstream middle class society, which has been primarily oriented toward 'classical liberal' values and to a market economy. The eventual rise of Communism as a secular religion during the twentieth century relates closely to this, and would have been impossible without it. As large as that movement was, it was merely a subset of the more pervasive phenomenon of alienation within the intellectual and artistic community.

The alienation was expressed in literature and the arts well before the twentieth century, but anyone wishing to understand the condition of American culture since the mid-1960s should pay

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particular attention to the Dadaist movement that occurred immediately following World War I. Better than anything else, it shows the use of art and culture by the Left for extremity and demolition.

Kenneth Coutts-Smith, in his book *Dada*, quotes Tzara, one of the founders of Dadaism, as saying that the movement's beginnings "were not the beginnings of art, but of disgust." "The most obvious aspects of Dada, particularly in its early days," Coutts-Smith says, "was a savage anarchism, a deliberate programme devised to undermine the moral and social assumptions of existing middle-class society." He refers to "a week of concerts at the London Coliseum, which performances were a great success in *avant-garde* terms, bewildering and provoking a hostile audience." He tells also of a 1920 exhibition in which "a great deal of planning went into the arrangement of the exhibition in order to produce the maximum amount of shock, scandal and social consternation. A site was found ... in a covered courtyard behind a cafe. The only entrance was through a public lavatory, and the audience ... was confronted by a room full of bizarre objects... The exhibition was opened by a young girl dressed as for her first communion who suddenly began to recite obscene verses."[47]

In this, we see the ancestry of the 1960s New Left antics of an Abbie Hoffman and a Jerry Rubin, of the type of 'art' in the 1980s that involves a crucifix submerged in a jar of urine, and of the extreme cynicism and depravity of today's film. All are related. They stem directly from an intellectual-artistic culture that takes immense pleasure precisely in extremity and demolition.

From this, we see that when the House Committee on Un-American Activities sought contempt proceedings against ten Hollywood screenwriters in the late 1940s, the event "barely scratched the surface" of the larger phenomenon.

'Liberals' have long argued that the real target of the House Committee, of Senator Joseph McCarthy later, and of other 'anti-Communists,' was 'liberalism' itself. Such a charge isn't true; it was Communists, specifically defined as members of the party, that indeed were the targets. Conservatives and 'anti-Communists' almost always went far out of their way to differentiate. This was partly because they feared the recriminations that would have followed if they failed to do so and partly because our Constitutional protection of 'freedom of speech,' in which they fully

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believed, allows someone to hate our way of life and to say so.

As we look back, however, there is no reason for us to limit our understanding. The reason the Left has been able to dominate American culture, including film, since the 1960s is rooted in the fact that American intellectual culture was profoundly leftist from early in the century, and even, to a high degree, for a century before that. There was an enormous wave of alienation, especially during the 'Red Decade' of the 1930s, and those who actually went so far as to join the Communist Party were just a fraction of the flood.

The problem has been, and remains, a civilizational one: how can a society of free individuals come to have an intellectual-artistic culture suitable to itself? Throughout the modern age, this has been lacking, as the intellectual culture has festered in its envy and resentment.

The Hollywood Communists Were the Hard-Core

I wish to shift now from a very broad arena to one that is far more narrow, and ask the question of "just how much sympathy do the Hollywood Communists, including the 'Hollywood Ten,' deserve?"

I have already suggested that they deserve none - and that they would receive none if it were not for the double standard that has so long induced a sanguine view of Communism. But I have covered that, and what remains is for us to note that American Communists of the late 1940s and early 1950s weren't even typical of the intellectuals who felt so strong an infatuation with the Soviet Union during the 1920s and '30s. No, these were the 'hard core,' devotees who remained loyal to a totalitarian system long after its totalitarian nature and brutality had become clear. They, especially, deserve no sympathy. Most assuredly, they do not deserve to be considered heroes.

Many on the left began to feel qualms about Communism at the beginning of the Stalin purge trials, as one after another of the old Bolsheviks was paraded before a farce of a trial and then shot. These were people who were known to the many American 'liberals' who for years had made pilgrimages to Soviet Russia.

A few allowed themselves to hear of the slaughter of the 'kulaks' (originally defined as "the more prosperous peasants," but who, as the slaughter went on, came to include all and any

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peasants) in the Ukraine and elsewhere – and began to feel a shudder. Successive shudders came with later Stalinist liquidations, such as the late-'30s purge of the Red Army generals.

Many began to have doubts when Stalin exiled Leon Trotsky, one of the heroes of the Bolshevik Revolution. The world Left set up international tribunals to inquire into this in-house conflict. The philosopher John Dewey headed the American subcommission. The final chapter of this drama came when Stalin had Trotsky murdered with an ice pick in Mexico City in 1940.

Others left with great bitterness when they found that, in Spain during the Spanish Civil War, the Communists were killing off the anarchists, at a time when both were supposed to be fighting together against General Franco. This was what turned John Dos Passos around; he lost a friend to the liquidation.

Perhaps most jolting was the Hitler-Stalin Pact of August 1939, after years of Popular Front activity against Hitler. Many people left the Communist Party because of this. Defections continued as the Soviet Union joined Germany in the attack on Poland, and within a few months waged aggressive war against Finland and the Baltic states, swallowing the latter.

There was an immense literature about all of this, as each aspect of it was debated within the world Left. Members of the Left were acutely conscious of it.

It is true that Hitler's invasion of the Soviet Union in June 1941 and America's subsequent alliance with Stalin helped anesthetize these grounds for defection. But with the Duclos Letter in May 1945 it again became clear that Soviet respectability was temporary.

The fall of the Iron Curtain was followed in quick succession by the Soviet swallowing of Eastern Europe, the Communist attempt to conquer Greece, the Berlin Blockade, the 'Lysenko Affair' in which the Soviet Union scandalized the scientific world by seeking to impose an ideological straight-jacket onto genetics, the Hiss-Chambers case, the Klaus Fuchs and Judith Coplon cases, the fall of China to Mao, the North Korean attack on South Korea and the intervention of Red China into the war, the Rosenberg case, Krushchev's 'secret speech' revealing Stalin's crimes ... and on and on.

Anyone who has read the journals of that period is aware that those who remained Communists in the late 1940s and early '50s

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were in no sense naive and innocent. They were the people with cast-iron stomachs.

The 'Culture War' - Today's Context for the Struggle

Why does the 'Hollywood Blacklist' matter today? Because it has become part of the folklore of the Left, which promotes its own demonology. From such things as "the brutal slaughter of Native Americans at Wounded Knee, the internment of the Japanese-Americans during World War II, the Hollywood Blacklist, and the killings at Kent State" Americans are encouraged to form a cynical, demoralized memory of America's past.

FOOTNOTES

1. See my discussion of this double standard in *Liberalism in Contemporary America* (McLean, VA: Council for Social & Economic Studies, 1992), pp. 240-2.
2. Lester Cole, *Hollywood Red: The Autobiography of Lester Cole* (Palo Alto, CA: Ramparts Press, 1981), p. 267.
3. The Waldorf Statement is quoted in full in John Cogley, *Report on Blacklisting - I: Movies* (New York: Arno Press & The New York Times, 1972), pp. 22-3.
4. Cogley, *Report*, p. 110.
5. Such denials of impact on film content can be found, for example, in Cole, *Hollywood Red*, p. 159; in Larry Ceplair and Steven Englund, *The Inquisition in Hollywood: Politics in the Film Community, 1930-1960* (Garden City, NY: Anchor Press/Doubleday, 1980), p. 324; and in Cogley, *Report*, p. 42.
6. This approach, looking for distinctively 'Communist' content reflecting the 'party line,' was taken by Dorothy B. Jones in her "Communism and the Movies: A Study of Film Content," which is included in Cogley, *Report*, as an appendix, pp. 196-233.
7. The phases through which the 'party line' passed are summarized by Dorothy B. Jones in Cogley, *Report*, at p. 205. The history relating to the Declos Letter is set out by Ceplair and Englund in their *Inquisition in Hollywood*, p. 232.
8. Cogley, *Report*, p. 24.
9. Cole, *Hollywood Red*, p. 249; Cogley, *Report*, p. 28.
10. Bernard F. Dick, *Radical Innocence: A Critical Study of the Hollywood Ten* (Lexington: The University Press of Kentucky, 1989), pp. 230-1.
11. Dick, *Radical Innocence*, pp. 70, 71, 73, 75, 77.
12. Dick, *Radical Innocence*, pp. 29, 233; Cole, *Hollywood Red*, pp. 14, 25, 37, 137-8, 171, 349, 364, 407.

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13. Dick, *Radical Innocence*, 149.
14. Interview with Lardner in *Film Comment*, October 1988, pp. 60-1; Dick, *Radical Innocence*, pp. 166-8; *Film Comment* interview, p. 69.
15. Dick, *Radical Innocence*, pp. 45, 58, 238; Gary Carr, *The Left Side of Paradise: The Screenwriting of John Howard Lawson* (Ann Arbor, MI: UMI Research Press, 1984), pp. 63, 70, 82, x.
16. Dick, *Radical Innocence*, pp. 82, 86, 103.
17. Dick, *Radical Innocence*, pp. 12, 25.
18. Ceplair and Englund, *Inquisition*, p. 73; Dick, *Radical Innocence*, p. 243.
19. Dick, *Radical Innocence*, pp. 205, 244-5.
20. Cogley, *Report*, p. 96.
21. Cogley, *Report*, p. 83; Dick, *Radical Innocence*, p. 151.
22. Paul Johnson, *Intellectuals* (New York: Harper & Row, Publishers, 1988), pp. 288, 290, 294, 295, 296, 299, 300; Lillian Hellman, *Scoundrel Time* (Boston: Little, Brown and Company, 1976), pp. 43, 99.
23. Hellman, *Scoundrel Time*, p. 33.
24. Article by Pat McGilligan, "Tender Comrades," *Film Comment*, December 1987, p. 45.
25. Cogley, *Report*, p. 77.
26. Hellman, *Scoundrel Time*, p. 112.
27. Cole, *Hollywood Red*, pp. 279, 282.
28. Cole, *Hollywood Red*, pp. 201, 269; Dick, *Radical Innocence*, p. 205.
29. Carr, *Left Side*, p. 89.
30. Dick, *Radical Innocence*, p. 177.
31. Barbara Branden, *The Passion of Ayn Rand* (Garden City, NY: Doubleday & Company, Inc., 1986), pp. 200, 202.
32. Cogley, *Report*, pp. 32, 33.
33. Don Feder, "'Guilty By Suspicion' Rewrites History of Hollywood Subversion," *Human Events*, April 20, 1991, p. 10.
34. Joseph Farah, "The Real Blacklist," *National Review*, October 27, 1989, p. 43.
35. The article by Harold Johnson of the *Orange County Register* appeared in the *Wichita Eagle* on March 15, 1993.
36. Cole, *Hollywood Red*, pp. 147-9.
37. Cole, *Hollywood Red*, p. 164.
38. Cole, *Hollywood Red*, pp. 165-6, 172.
39. For a discussion of the New Politics Convention and the role of Communists in it, see my article "Martin Luther King, Jr.: Time for a Sobering Reassessment," *Conservative Review*, February 1991, pp. 18-22.
40. Michael Medved, *Hollywood vs. America: Popular Culture and the War on Traditional Values* (New York: HarperCollins, 1992).
41. Medved, *Hollywood vs. America*, pp. 10, 29.
42. Medved, *Hollywood vs. America*, p. 10.
43. Medved, *Hollywood vs. America*, p. 19.
44. Michael Medved, "Hollywood's Poison Factory: Making It the Dream Factory Again," *Imprimus*, November 1992.

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The Philosophy of Nationalism

Charles C. Josey

"Nationalism" is perceived as a controversial ideology in contemporary political science. But although it has retreated in the West, it remains a strong force in post-Soviet eastern Europe, and is still paramount in Japan, China, India and most parts of Asia, Africa and Latin America. As such, its mechanism and ideals deserve deeper study. This book provides a valuable insight into how "nationalists" think and feel about their role in relation to the world community.

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Natural Law and the College Campus

Jack Schwartzman

"He reached the middle height, and at the stars,
Which are the brain of heaven, he looked and sank.
Around the ancient track marched, rank on rank,
The army of unalterable law."
– George Meredith, from *Lucifer in Starlight*(1883)

On December 3, 1951, there appeared in *The Freeman* (then edited by John Chamberlain, Henry Hazlitt, and Suzanne La Follette), my article, "Natural Law and the Campus." I had become increasingly alarmed by the continuing decline of educational excellence, and by the rise, in American colleges, of the movements known as relativism, behaviorism, determinism, positivism, pragmatism, utilitarianism, liberalism, socialism, communism, fascism, and (what was then called) "dynamic democracy." These movements, I was fully aware, were inimical to the idea of eternal, universal standards, and I decided, therefore, to express in print my disapproval of and opposition to these movements. In my article, I called for the return to the principles of Natural Law. "The trend toward destruction and decay," I wrote, "is apparent at the very base of all human thinking. It is in our 'pragmatic' philosophy, in the abnegation of the absolute values of human life and thought, in the sneering denial of Natural Law, that one will find the paradoxic beginning of the absolute values and power of the State."[1]

What *is* Natural Law?

According to Cicero, it is the governing law of the world, which has its foundation in nature, not in mere opinion.[2]

"There is but one law for all," observed Edmund Burke, "namely that law which governs all law, the law of our Creator, the law of humanity, justice, equity – the law of nature and of nations."[3] It is "the law of God," defined John Calvin, "which we call the Moral Law," and it alone is "the scope, and rule, and end of all laws." [4] Natural (or Moral) Law is also defined as the "harmony" of the universe, or an inviolate world "order," or a Supreme

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Reason that governs the earth.

For those who object to such nebulous terms as "nature," "morality," and the "oneness" of law, and who insist that laws (plural) are, of necessity, the embodiments of human "lawmakers," J.A. Froude has the answer: "Our human laws are but the copies, more or less imperfect, of the eternal laws, so far as we can read them."[5] Besides, if we rely on human legislation (the edicts of the State) and seek justice (a reflection of the Natural/Moral Law), such "man-made" laws may betray us. They may, and often do, become the commands of the ruler(s) of the State and result, over and over again, in tyranny, terror, war, and oppression. (Natural Law should always be, therefore, the "yardstick" which "measures" human laws.)

For those who are agnostic or atheistic, and contend that Natural Law is but a synonym for God, the reply is that all scientists (religious believers or not) follow definite rules of science, which are immutable and universal. "All things obey fixed law," declared Manilius.[6] "God does not," quipped Albert Einstein, "play dice with the universe."[7]

To summarize: Natural Law is not only the Law of Science (which may be proved by observation) but also the Law of Morality (which may be established by the retribution which follows any attempt to violate such Law). "The great fact which Science in all her branches shows," wrote Henry George,

> is the universality of law. Wherever he can trace it, whether in the fall of the apple or in the revolution of binary suns, the astronomer sees the working of the same law ...
>
> Now, if we trace out the laws which govern human life in society, we find that in the largest as in the smallest community, they are the same....And we find that everywhere we can trace it, the social law runs into and conforms with the moral law; that in the life of a community, justice infallibly brings its reward and injustice its punishment.[8]

Therefore, call it what you will (Natural Law, Moral Law, the Law of Equity, the Law of Science, the Law of Reason, the Law of Love), it is a concept recognized throughout the ages and in every part of the globe.

For over three millennia, some of the greatest thinkers of the

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world have paid "allegiance" to the concept of Natural Law. They may not have agreed about the complete meaning or the "function" of Natural Law, but most of them did agree that education, ethics, and human behavior were all based on that intangible "something" that is the guide and the source of eternal values, permanent standards, and everlasting verities.

However, during the same three millennia, there appeared various critics of the idea of Natural Law, who doubted or denied the existence of that Impregnable Fortress of Eternal Truth. Two and one-half thousand years ago, Heraclitus, the champion of "flux," stated, in an imperishable aphorism, that one could not step into the same river twice.[9] The moving waters imply constant change; therefore, there could be no permanency. (Paradox: The only thing permanent is Change itself!)

More than two thousand years after Heraclitus, Georg Wilhelm Friedrich Hegel, and then Karl Marx, propounded again the theory of the "flowing river" (dialectical transformation) in their personal, determinist depiction of History (or Historical Evolution) as a movement toward a definite "synthesis." The theory of Natural Law, in the traditional sense, was abandoned by the respective followers of Hegel and Marx. Vladimir Lenin, the ruthless disciple of Marx, expressed his disagreement with the "eternal, unchanging" concept of Law in the following fashion: "A law is a reflection of what is essential in the movement of the universe."[10] (Even the universe – the "moving" universe – evidently obeys the "essential" dictates of Karl Marx! Like "Law," the Communist "Truth" – *pravda* – is also something "functional," something "essential." Anything that contradicts the Marxist dogma is discarded.)

In America, the assault on eternal values was led by Oliver Wendell Holmes (the son), who flatly denied that there is such a thing as Natural Law or Natural Morality, and who accepted, instead, the viewpoint of relativism. "The jurists who believe in Natural Law," Holmes declared, "seem to me to be in that naive state of mind that accepts what has been familiar and accepted by them and their neighbors as something that must be accepted by all men everywhere."[11] He also stated: "The prophecies of what the courts will do in fact, and nothing more pretentious, are what I mean by the law."[12] To Holmes, the "evident Truth" was that there was no "evident Truth." And as "certainty" disappeared in

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philosophy, it reappeared and reasserted itself in the volitional acts of the all-powerful State, which alone could decide what was "right" or "wrong," "good" or "evil," "true" or "false," "black" or "white." The State alone, Holmes proclaimed, could "permit" or "restrict" *anything*, provided it had "a sufficient force of public opinion behind it."[13] Therefore, according to this philosophy, values were only social, transitory, temporary, variable, and relativistic. There could not be any innate or permanent values. And lo and behold! Values ceased to be! And when values vanished, the goal-oriented, standard-oriented education vanished as well.

Such was the gist of what I wrote in that 1951 article, forty-two years ago. I predicted that the college student of the future, since he could not follow a valued purpose, would drift with whatever current there was. He "will be," I said, "a little Statist. He will be the professor and the businessman of tomorrow; he will fit into the totalitarian pattern of the Coming C.der...and he will do this in the name of the American Way of Life."[14]

My conclusion was also a warning:

> If you wish to teach the principles of freedom, generate enthusiasm for the old doctrine of equality of opportunity, or talk in terms of reason, you must seek your listeners among the youngest...students...who have not yet been exposed to the disease of socialism. Seek them out soon, or they too will betray you, and bring about the egalitarian society of serfs and slaves. Take a lesson from the colleges of Europe, where the drivers of the new regimes were the college students of the last generation.
>
> If you send your son to the colleges of today, you will create the Executioner of tomorrow. The rebirth of idealism must come from the scattered monasteries of non-collegiate thought.[15]

* * *

The above is what I wrote (as I said before) forty-two years ago. Has my prophecy been fulfilled? Unfortunately, yes. Look at the history of the past four decades. Look at how much misery, war, and destruction there was (and is) in the world! Look at our

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colleges. Are they not but a mockery of the Once Glorious University?

Three weeks after my article appeared (namely, on December 31, 1951), *The Freeman* published two letters, one from Russell J. Clinchy, of New York, who praised my presentation; and one from F.A. Voigt, of England, who wrote that "at the risk of appearing ungrateful for an article so incisive and instructive," as mine allegedly was, he "demurred." He disagreed with my designation of Heraclitus as the philosopher of Change, claiming that the ancient Greek sage was, in reality, a proponent of some kind of Natural Law. Voigt suggested a substitution, and proposed Jean Jacques Rousseau as the replacement.[16]

In the months that followed, there were many more letters addressed to me, some praising me to the highest heaven, and some sending me to the lowest hell.

Thus matters continued, or rather, remained (as far as my 1951 article was concerned) until the year 1970.

* * *

Two decades had passed since I wrote my essay on Natural Law, when, in the fall of 1970, I picked up the book, *Anti-intellectualism in American Life*, by Richard Hofstadter.[17] (It was published in 1963, and the following year Hofstadter received the Pulitzer Prize for writing it.) However, when I obtained the book, in 1970, he was already dead, having passed away shortly before.

I casually leafed through a few pages when, suddenly, I was startled (nay, shocked!) to see my own name and my own words staring back at me. What I saw before me were a few quotations from my 1951 article on Natural Law. Briefly, patronizingly, and with a touch of disdain, Hofstadter "disposed" of me and my essay. He also attacked the following people (all of whom I esteem): Henry George, Frank Chodorov, William F. Buckley, Jr., John Chamberlain, Louis F. Bromfield, and the latter-day H.L. Mencken. Quite a company! I feel honored to have been included in this Ship of Fools.

As for his personal condemnation of me, Hofstadter placed me in "Exhibit F" of the total exhibits that "collectively display the ideal assumptions of anti-intellectualism."[18] He was offended, evidently, by the constant attacks on "institutions in which intellectuals

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tend to be influential, like universities and colleges," which were shown to be (by detractors like me, for instance) "rotten to the core."[19]

Here is Hofstadter's critique of my article:

"**Exhibit F**. The universities, particularly the better-known universities, were constantly marked out as targets by right-wing critics: but according to one writer in the *Freeman* there appears to have been only an arbitrary reason for this discrimination against the Ivy League, since he considered that Communism is spreading in all our colleges."[20] The "one writer" Hofstadter referred to was myself, and he proceeded to quote my words from the 1951 essay:

> Our universities are the training grounds for the barbarians of the future, those who, in the guise of learning, shall come forth loaded with pitchforks of ignorance and cynicism, and stab and destroy the remnants of human civilization. It will not be the subway peasants who will tear down the walls: they will merely do the bidding of our learned brethren...who will erase individual Freedom from the ledgers of human thought ...[21]

And then Hofstadter quoted the concluding paragraph of my article (which I have already presented above).

When I read Hofstadter's condescending denunciation, I was enraged and perplexed. My instinct was to go out and fight – but fight whom? The gentleman was dead. To whom could I point out the asininity of his remarks? To whom could I complain about his silly comment concerning the "discrimination against the Ivy League" (evidently a touchy issue with the man) when I neither mentioned the Ivy League, nor even implied it! The only crime that I had committed was to describe how the insidious germ of degeneracy was slowly consuming the sap of the Tree of Knowledge, and destroying it.

Again, to whom could I protest about such labels as "populist" and "anti-intellectual," when they were leveled at me? The terms were especially idiotic, as used in his book, since they referred to my article (which he chose to condemn), where I vociferously attacked both populism and anti-intellectualism!

(It is really a matter of semantics. To Hofstadter, the "right-

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wing critics" were all "anti-intellectual." The "left-wing critics," on the other hand, were the obvious heroes of intellect. What a magnificent distinction! Truly worthy of the Pulitzer award!)

Throughout the book, "anti-intellectuals" were accused of being primitive, individualistic, defenders of big business, "obsessively engaged with this or that outworn idea," biased against universities, and partial to "aggressive egalitarianism," especially in education.

That last bit of claptrap was the most nonsensical "shocker" of them all in what was basically a very dull book. After my relentless attack *against* egalitarianism, to be "bunched" *with* egalitarians and then contemptuously denounced is impudence of the worst kind. It takes gall, dishonest gall!

I still get worked up when I remember reading Hofstadter's book, more than twenty years ago, and recall my fury, frustration, and chagrin. The arrogance still rankles. It appears laughable in retrospect, but it still rankles!

* * *

In its edition of April-June, 1980, *Fragments* published my essay, "Natural Law and the Age of Illiteracy."[22] In that essay, I recounted all the events (up to that point) which followed my 1951 piece and pertained to it. Since I have already narrated the "happenings" in this paper, I shall not repeat them.

However, in the 1980 publication, I did have a few more comments to make:

> ...Now, even more than in 1951, the philosophy of pragmatism is destroying American education.
>
> The modern "leftist" teachers who are infiltrating into collegiate ranks in greater and greater numbers, are themselves the product of the Age of Illiteracy. With their ever-restless experimentations, "open-admissions" policies, compulsory busing, and other, never-ending attempts to achieve "equality," they are "succeeding" in bringing education closer and closer to total nihilism.[23]

(Were I to write this 1980 essay today, in 1993, I would also

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add that those students who were the protestors in the 1960's are now full-fledged professors, and are currently in charge of leftist infiltration from the top.)

In my 1980 article, I reversed the pessimistic ending of 1951 and closed with an almost-Utopian view of the future. I wrote:

> Where will it end? Will learning perish in America?
>
> I do not believe so. Paradoxically, my "recognition" of eternal norms leads me, almost inevitably, to view the world of the future without pessimism. As a teacher, I am privileged to witness, in so many of my students, the excitement which true learning generates and awakens.
>
> I *know* that the pendulum will again swing to excellence. I *know* that permanent and immutable standards will again, and still again, be discovered and re-discovered. I *know* that Truth, since it is out "there," will again be sought, found, and treasured in all parts of the globe. Therefore, I shall re-word and re-quote my conclusion of three decades ago:
>
> "If you send your son (or your daughter) to the colleges of tomorrow, you may yet become the parent of the future savior of American education. Idealism *will* prevail."[24]

* * *

And now it is 1993, forty-two years since I wrote "Natural Law and the Campus," more than twenty years since I came across Hofstadter's book, and over ten years since I composed "Natural Law and the Age of Illiteracy." What are my thoughts about education today?

The educational outlook is indeed bleak. The future looks grim. A number of college instructors whom I know are out-and-out Marxists, or "liberals" (whatever that means). Current expressions which are very much in vogue in academic circles, and which may symbolize the chaotic state of affairs in modern universities, are: affirmative action, sexual harassment, abortion, condoms, anti-racism, AIDS, gay and lesbian rights, unionism, radicalism, nuclear disarmament, environment, deconstructionism, socialism, communism, liberalism, welfare, warfare, diversity, revolution, apartheid, core curriculum, specialization, shorter teaching hours, greater teaching pay, peer committees...and other words of similar

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import. Humor (the one-time traditional mainstay of teaching) has been banished from the oh-so-serious, oh-so-dignified matters at hand. Natural Law and "Truth" are no longer of importance; in fact, Natural Law, as an expression, is now archaic and obsolete.

The "essence" of the university: love of learning for its own sake, desire for perfection, exaltation of heroism, quest of knowledge and the "impossible dream" - these are no longer the concerns of most colleges, which are more interested in bequests, funds, and donations. The colleges have become vocational. They are now "employment agencies" for "good" jobs.

Unless there is a sudden reversal of the calamitous decline in values, unless there is a sudden return to the principles of Natural Law, the average university curriculum will continue to be "bedecked" with the drivel of nonsensical courses, which have absolutely no relation to "The Idea of a University" (shades of Cardinal Newman!). There is no unity of purpose; in fact, there is no purpose at all.

* * *

In my 1951 article, I spoke of the "coming of the barbarians." Many noted authors have written a great deal about barbarism. For instance, Edwin Markham, in a terrifying and prophetic poem, "The Man with the Hoe" (1899), portrayed one such "barbarian," who brings to mind the totalitarian hordes of the twentieth century, who slaughtered millions of people and burned tens of thousands of books. The "man with the hoe" is brutal, "stolid and stunned, a brother to the ox," who will destroy the world – *unless* ...

Here are the last lines of Markham's poem:

> How will it be with kingdoms and with kings –
> With those who shaped him to the thing he is –
> When this dumb terror shall rise to judge the world,
> After the silence of the centuries?[25]

Byron, too, in 1816, wrote a prophetic poem of horror, called "Darkness." He painted a picture of total desolation, following some kind of barbaric war. Nothing remained but Darkness:

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The waves were dead, the tides were in their grave,
The Moon, their mistress, had expired before;
The winds were withered in the stagnant air,
And the clouds perished; Darkness had no need
Of aid from them - She was the universe.[26]

How is the barbarian "menace" related to this paper, which devotes itself solely to the topic of education, especially college education?

Barbarism is the *opposite* of learning and education. It is no accident that so many writers who speak of the decline of education inevitably turn to the subject of "barbarism" and the "coming of the barbarians." The implication is that *unless* there is a return to universal standards, there will be a consequent "decline and fall" of civilization and a reversion to total barbarism.

Thomas Babington Macaulay, Edwin Gibbon, Albert Jay Nock, Henry David Thoreau, Evelyn Waugh, and quite a number of others have likewise spoken of barbarism.

Matthew Arnold, in 1869, in his noted book, *Culture and Anarchy*, wrote about "the Barbarians," whom he identified with the empty-headed who were mostly occupied with "exterior culture only.... Far within, and unawakened, lay a whole range of powers of thought and feeling." It was, therefore, "the true business" of the "friends of culture" to "awaken" that slumbering "inner" spirit. Evidently, however, that was almost impossible, and only the true elites could bring about the "sweetness and light" that he spoke about.[27]

In a characteristic burst of despair, he cried out (in his celebrated "Dover Beach"):

And we are here as on a darkling plain
Swept with confused alarms of struggle and flight,
Where ignorant armies clash by night.[28]

Herbert Spencer, in an essay called "The Coming Slavery" (another name for barbarism) deplored the futile socialist effort to bring about "equality." "It is delusion," he protested. "The defective nature of citizens will show themselves in the bad acting of whatever social structure they are arranged into. There is no political alchemy by which you can get golden conduct out of

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leaden instincts."[29]

Two outstanding authors have asked almost identical questions about the march of the barbarians, and they have answered their own questions in almost the same way.

Joseph Wood Krutch, in *The Modern Temper*, inquired:

> Whence will the barbarians...come?...Have we, within the confines of our cities, populations quite as little affected by modern thought as the Greeks were affected by Greek philosophy, and hence quite capable either of carrying peaceably on as the aristocracy quietly dies off at the top or of arising sometime to overwhelm us?[30]

Even more forcefully (and half a century previously), Henry George, in his masterpiece, *Progress and Poverty*, asked – and answered:

> Whence shall come the new barbarians? Go through the squalid quarters of the great cities, and you may see, even now, their gathering hordes! How shall learning perish? Men will cease to read, and books will kindle fires and be turned into cartridges![31]

Will learning perish?

May we never see the day! May it never come to pass! As teachers, let us attempt to reawaken in our students the innate yearning for spiritual values. Let us point out to them that each one of us has a "purpose" in life. Let us help them find that purpose.

Only then can we succeed. Only thus can learning survive.

FOOTNOTES

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3. Edmund Burke, "Impeachment of Warren Hastings," May 28, 1794, in *The Speeches of Edmund Burke*.
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6. Manilius, Astronomica, line 479 (written at the beginning of the Christian era in Rome).
7. Carl Seelig, Albert Einstein: A Documentary Biography (London: 1956), p.209.
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9. Heraclitus, Fragments (in Philip Wheelwright, ed., the Presocratics, New York: The Odyssey Press, Inc., 1966), p.71.
10. Vladimir Lenin, Philosophical Notebooks, 148 (Russian edition); Howard Selsam (ed.), Handbook of Philosophy (New York: International Publishers, 1949), p.63.
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22. Jack Schwartzman, "Natural Law and the Age of Illiteracy," *Fragments*, Vol. XVIII, No. 2, April-June, 1980, p.5.
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25.25. Edwin Markham, "The Man with the Hoe," San Franciso Examiner, 1899; also, in *The Man with the Hoe, and Other Poems* (New York: Doubleday, Page & Co., 1899).
26. George Gordon, Lord Byron, "Darkness, " 1816 (in Ernest Hartley Coleridge, ed. *The Works of Lord Byron, 1898-1904*).
27. Matthew Arnold, *Culture and Anarchy*, 1869, "Barbarians, Philistines, Populace").
28. Matthew Arnold,"Dover Beach,"c. 1851 (in C.B. Tinker and and H.F. Lowry, eds., *The Poetical Works of Matthew Arnold*, 1950).
29. Herbert Spencer, "The Coming Slavery," in *The Man Versus the State* (London: 1884); (New York: The Caxton Printers, Ltd., 1954), p. 53.
30. Joseph Wood Krutch, *The Modern Temper* (New York: Harcourt, Brace and Company, 1929), p.238.
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Will America Drown? Immigration and the Third World Population Explosion
Humphrey Dalton (Editor)
Scott Townsend Publishers, 1993

The Internationalization of a Nation

This fascinating but disturbing new book, edited by Humphrey Dalton, draws attention to the massive demographic pressures caused by the gigantic and unprecedented population explosion currently taking place in the Third World. In past centuries, since the discovery of agriculture, human populations have tended to grow steadily, but have essentially remained in balance with their ecological environment. The same laws that maintain population balance in an ecological community tended to restrain, although not totally control, the growth of human populations until the last century or so. These controls fell essentially under two headings: food supply and disease.

But developments in human science over the past two centuries have increasingly negated the impact of these two factors, and as a result the ecological balance has been disrupted by a rapid increase in the number of human beings in the world. This now increases every year by what may well have been the total human population in paleolithic times. The size of human populations has exploded, largely aided by the efforts of the World Health organization, and this explosion has now reached frightening proportions.

The first populations to undergo a rapid expansion in numbers were those of the Western nations, since it was among those nations that modern science first arose. During the eighteenth and nineteenth centuries this European increase resulted in the migration of the surplus European population to other parts of the globe, using their more advanced technology to provide them with a living where simpler peoples could only survive in smaller numbers. Thus the ecological balance of the world was already beginning to be disrupted two centuries ago. But in the twentieth century more significant developments in medical and agricultural science, and a well-intentioned, sentimental desire to help all nations and all peoples combat famine and disease, have

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resulted in a demographic explosion of hitherto unbelievable proportions.

While it is not beyond the ability of mankind to continue to propagate with this rapidity (many countries are doubling their populations every 22 or 23 years), the total global environment cannot expand and is already suffering under this insupportable demographic pressure. Daily we learn from the media of fresh disasters, famine, flooding and the spread of either new or old diseases at epidemic levels, as nature works to reduce the human population before it can destroy all other advanced forms of life on this globe. But the leaders of the world community assiduously strive to combat nature, and support the further over-reproduction of peoples who are already unable to feed and care for their existing offspring.

The result is a vast pressure on the surplus population of the Third World to try to find its way into those countries which are still able to feed their population and offer their citizens an attractive standard of living. The result is what has been called "The Welfare Magnet." As the Third World population increases yet further, it is becoming apparent that no country in the world, nor even all the more advanced countries in the world cooperating in unison, can have any hope of accommodating and providing for the vast surplus of offspring being born into the impoverished nations. Looking beyond the poorest nations of Africa, even a relatively advanced country like Egypt, which is little more than a sliver of fertile land along the Nile, is expanding its population by a million mouths *every nine months*.

Global migratory pressures will assuredly continue to increase in these circumstances, and the few relatively prosperous nations that remain are in danger of being brought down to the plight of the nations they are trying to help. Both Europe and North America not only help feed the proliferating populations of Africa and Asia, but try to provide generous welfare systems to the residents of their own countries. They are therefore becoming the prime targets for the world's burgeoning number of migrants. Although *Will America Drown?* studies only the U.S. scene, what is happening in the U.S. is being replicated in Canada and the nations of Western Europe.

Thus, the initial chapter in *Will America Drown?* – immediately following the editor's Introduction – is entitled "Can the U.S.

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Assimilate the Growing Waves of New Immigrants?" This surveys the problem and touches on the social and economic results of uncontrolled immigration. Indeed, much of global migration is uncontrolled and illegal, but cannot be controlled because it is so vast and the governments of the target nations do not have the will to oppose it. It will tend to become more so as migratory pressures increase, as they will inevitably do.

One loophole that could easily be closed is the legal provision adopted by the U.S. and several other countries such as Germany, which requires the Immigration authorities to admit all persons who can claim to be "political refugees" from their land of origin. Since so much of the Third World has been ruled by brutal dictatorships ever since the withdrawal of European colonial governments, it is arguable that hundreds of millions of individuals around the world could legitimately claim immigrant rights under this provision. Hence the next chapter is entitled: "Invasion U.S.A.: The Farce of "Political Asylum." When these kinds of numbers are involved it is impossible for Immigration authorities to properly scrutinize every claim for admission to the U.S. within the manpower and budgetary resources they have available. Especially sardonic is the fact that, under present U.S. law, the U.S. taxpayer has to bear the cost of providing free legal services to every individual who lands on U.S. soil and then claims the right to residence as a "political refugee." In short, U.S. citizens have to pay for lawyers to advance all claims by aliens claim against the attempts of the Immigration and Naturalization Service to defend the U.S. against the false claims of would-be immigrants.

Immigration control in the U.S. was further weakened by Congress when it passed the "Family Unity and Employment Opportunity Immigration Act" of 1990. This allowed those who had entered the U.S. illegally, and had subsequently been "amnestied," priority in bringing in their relatives. Pete Wilson, the governor of California, one of the U.S. states hardest hit by mass migration from central America and from the Far East, has put the blame on Congress for making the states provide illegal immigrants with free maternity, health and education services. In California, Florida, and other states, besides the major U.S. cities such as New York, hoards of illegal immigrants contrive to find a myriad of ways and means of extorting money from the authorities: hence the self-explanatory title of another article: "America:

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Candy Store with a Broken Lock?"

The situation in California, perhaps the hardest hit of the U.S. states, though only slightly ahead of Florida and the major U.S. cities in this respect, is closely examined in the chapter: "Today California: Tomorrow America?" This title is a tragic pun on the popular claim by Californians, when the U.S. was the world's most prosperous nation and California was leading the way in economic expansion, that what happens today in California will happen throughout the rest of America tomorrow!

Some have tried to argue that immigration was good for America in the past, and therefore will assuredly be good for America in the future – regardless of the number of immigrants. There was a time when America's rich lands needed more immigration from Western Europe to develop them. But those days are past, and the chapter entitled "The Economic Costs of Immigration" highlights the grim economic reality. Its author calculates that each immigrant represents a *capital cost to the U.S. of $40,000.* With immigration, as with other things, he argues, one can have too much of a good thing; and in a world where the very survival of more advanced forms of life is threatened (many species, both animal and plant, are being exterminated every year as a result of the uncontrolled explosion of the human population), the U.S. – relatively spacious though it still is – also has a limited capacity to support human life without destroying its economic and even its ecological structure.

As though economic and ecological problems were not enough, there is a strong connection between immigration and increasing crime in America, as detailed in the chapter "Immigration and Crime in the U.S.A." Much of this crime is centered in specific immigrant communities, and this has led to the inclusion of an explosive chapter entitled "Are Some Populations More Susceptible To Crime Than Others?" This is linked to a growing awareness in the scientific community that heredity plays a role in shaping personality, and that some personalities are more susceptible to anti-social behavior than others.

The sombre fact is that America is becoming more criminal as it become more "multi-cultural," and as it becomes more multi-cultural, the rising number of non-Europeans – who will in half a century or earlier outnumber the population of European origin – are pressing to reduce the emphasis on Western culture in the

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classrooms. This is explained in the chapter entitled "Hey, Hey, Ho, Ho, Western Culture's Got to Go!" It is further examined, with emphasis on the problem of maintaining political and individual freedom in a culturally and racially diverse society, under the heading of "Multiculturalism: Its Implications for a Free Society."

Will America Drown? lives up to its title as a hair-raiser. The evidence of its scary data is to be found in chapter titles such as "The End of History: A Democracy of Chaos?, and "Is *This* the End?" Nevertheless the editor claims that although the hour is late, it is still not impossible to prevent the U.S. from being swamped by the Third World's surplus. Hence he has made a point of including two papers which shows how immigration *can* be controlled. One is called "Stopping Illegal Immigration," and the other, "Immigration Restriction: A National Necessity." And for those who like to see everything in an historical setting, *Will America Drown?* is supplemented by a valuable appendix providing "A Chronological History of Principal U.S. Immigration Laws."

Truly, in its sheer mass of data and its comprehensive treatment of the impact of rising global migratory pressures on the United States, this is a rare publication. Those who seek to realize how today's events will effect them will find it indispensable, and will never see the world in quite the same way again, once they have opened its covers.

Moreton R. Lovelace

Living Within Limits:
Ecology, Economics, and Population Taboos
Garrett Hardin
Oxford University Press, 1993.

More on World Over-Population

In his latest book, *Living Within Limits: Ecology, Economics, and Population Taboos*, Garrett Hardin, Professor Emeritus of Human Ecology at the University of California, Santa Barbara, again invites readers to adopt an "ecolate" view of the world – one which sees human development in the overall context of the global ecological environment. Those who would solve the problems of world overpopulation, he argues, must not only ask the literate

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question: " What are the right words" and the numerate question: "What are the relevant numbers?", but they must ask the even more profound question, the ecolate question: "And then what? " Hardin's new book is at once profoundly learned and most gracefully written.

Since the publication of his landmark essay "The Tragedy of the Commons" (*Science* 162, 1968), Hardin has stubbornly drawn readers' attention to the inescapable threat of overpopulation. This problem has assumed something close to a taboo status. He notes that while the first Earth Day in 1990 resonated with talk of overpopulation, the second nationwide Earth Day in 1990 made virtually no mention of this phenomenon, despite the fact that world population had exploded 47 per cent in two decades from 3.6-billion to 5.3-billion. The planners of Earth Day 1990, he explains, "were under economic pressure to leave population out of the picture. When directors of philanthropic foundations and businesses were solicited for financial support they let it be known that they would not look kindly on a population emphasis."

Hardin reminds us of the folly of the notion that nobody ever died of overpopulation. He recalls being in East Bengal in November 1970, when a cyclone struck East Bengal killing perhaps 500,000. "What killed those unfortunate people? The cyclones, newspapers said. But one can just as logically say that overpopulation killed them. The Gangetic delta is barely above sea level. Every year several thousand people are killed in quite ordinary storms. If [Bangladesh] were not overcrowded, no sane man would bring his family to such a place. Ecologically speaking a delta belongs to the river and the sea; man obtrudes at his peril. Were we to identify overpopulation as the cause of a half-million deaths: we would threaten ourselves with a question to which we do not know the answer: How can we control population without recourse to repugnant measures? Fearfully we close our minds to an inventory of possibilities."

Hardin sees much of what passes for altruism as being at once suicidal and destructive both the altruist and to those he seeks to advance or save. "Anyone who tries to comprehend the spirit of our times is soon impressed with the popularity of guilt-mongering - making other people feel guilty about something ... In the first of the twentieth century anthropologists taught people to be ashamed of ethnocentrism. So successful were they that some guilt-mongers

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have now gone to the extreme of being ethnofugalists: they see virtue only in people other than their own kind. Often the greater the otherness, the greater the asserted virtue and beauty. Like compulsive and universal altruism, ethnofugalism tends to destabilize a society. (When everyone prefers minding the business of others to minding his own, no business will be well tended.)

Hardin considers the curse of overpopulation and uses the filter of ecolacy to suggest directions for foreign aid. "In trying to maximize peace, we clearly must support the idea of national sovereignty. Each nation should be free to govern its own affairs." However, Hardin adds, "responsibility must go with sovereignty. When the rulers of an overpeopled country - whether they be individual leaders or the demos of a democracy - ask us for food, or ask that we open our doors to their emigrants, they thereby abandon their responsibility. Worse, such irresponsible rulers ensure the continuance of the pathological system that caused overpopulation in the first place. The 'bottom line' of our relations with other sovereign countries is this: the safest aid to give is information only - particularly information about birth control. ... Promoters of 'ethnic power' love to scold rich countries for urging lower birth rates on poorer countries; the ethnics call this 'genocide.' But if a country is poor and powerless because it already has too many children for its resources, it will become even poorer and more powerless if breeds more."

Immigration control is another vexing political question which for much of our media and class is a taboo subject. Again, Hardin focuses a relentless logic as he courageously demolishes many of America's cherished myths that cloud the entire immigration debate. He notes the paradoxes that, despite America's much cherished commitment to democracy and majority rule, while "the majority of the electorate wants to minimilize immigration, ... Congress has repeatedly encouraged more immigration."

Hardin's bulldog insistence on facts and logic slices through many of the sentimental and poorly examined excuses for mass immigration. " A prime danger to continued national survival," he argues, "is uncontrolled immigration, which unquestionably increases unemployment. Long continued unemployment produces social disorder. If it were true (as some journalists maintain) that immigration actually increases employment, then we would do well to invite the world's two billion wretchedly poor to come into our

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country. No advocate of immigration has yet had the nerve to suggest that we do this. So we should take with a bucket of salt claims that immigration has no adverse effect on employment."

The Problem of Assimilation

Immigration flows, especially to America, Canada, and Australia, overwhelmingly involve people from the Third World. To refute the nativism sentiment that tends to oppose such influxes of radically dissimilar peoples, the proponents of massive immigration argue the benefits of diversity. Hardin points out that, while in the early years of this century, America was able to absorb large numbers of newcomers, these were overwhelmingly European, and the policies of the day demanded assimilation. Today, however, ethnic pride is actively encouraged among newcomers, especially the Hispanics. "This new diversity bodes ill for future peace in America. ... those who promote limitless diversity seem not to have noticed the disorder and violence associated with massive diversity in Africa and the Balkans. The faster the rate of immigration and the more diverse the reluctantly conjoined cultures is the threat of balkanization. And balkanized territories ... are not noted for their devotion to political equality ". Harking back to his concern about overpopulation, Hardin warns: "Of all the problems facing a multicultural nation none is more resistant to solution than population control. Every method proposed in a multiethnic society elicits a knee-jerk cry of "genocide." It cannot be too often repeated that an extravagantly multicultural nation is poorly positioned to compete with nations that have not succumbed to the siren call for more 'diversity'. Think of Japan. In facing the real danger of overpopulation following World War II, Japan showed that she could achieve a unanimity of purpose that is hard to imagine in a multicultural nation. Whatever measures may be required to tame population growth, their difficulty will increase strictly in proportion to the amount of diversity in the population. In a multicultural nation, patriotism withers under the onslaught of internal competition between ethnic groups. The nation is then less favorably positioned to deal with external competition."

Paul Fromm

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The Work of Nations
Robert B. Reich
Knopf, New York, 1991

Reich's Symbolic Anarchists

Although metaphors usually help to convey a message, they sometimes take control of communication and decide what we see and hear. This seems to have been the case in Robert B. Reich's book, *The Work of Nations* (Knopf, 1991). Had his argument been tied to rockets rather than boats, Reich might have told more about long term patterns of global economic thrust and have dwelled less upon America's transitory allocations of work. Ironically, the power of misplaced metaphors is one of Reich's subordinate themes. Believing that our vestigial "picture of the national economic boat, in which all of us sail together... has led to a fraudulent diagnosis of economic and social problems", Reich's purpose is "to paint a new picture of the realities of the emerging global economy and of the societies that are being shaped as a consequence." But, instead of developing a wholly new analogy to orient his work, Reich merely modifies the dimensions of the old. He replaces the comfortable portrait of Americans "rising and falling together, as if in one large national boat" with a picture where "we are increasingly in different small boats." He moves us from a ship to a flotilla.

In the traditional view, Americans had different classes of accommodation on a national ship. Yet, all had to make their economic journey together and they knew it. Now, on Reich's ocean, groups travel independently, feel different currents, and sense only a loose connection to each other's well-being. Moreover, because of the global seas on which they sail and of the actions by passengers on board, the individual ships only move up or down. One boat, carrying "routine producers", is "sinking rapidly". A second, with "in-person servers" in passage, is "sinking as well, but somewhat more slowly and unevenly". A third vessel, containing "symbolic analysts", is "rising steadily".

While the flotilla metaphor would allow Reich to explore the roll of the sea, he pauses and peers overboard only long enough to observe that falling costs of "transporting standard things and of communicating about them" have induced a global wave of peculiar competitive proportions. He then shifts his focus to activities on the various decks. While interactions among passengers on the rising boat can accelerate an ascent to higher levels of living, no amount of

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mixing or trading of rooms is able to offset the descent in well-being on the sinking boats. Reich is perplexed. He wonders if, in the 1990s and beyond, the gaps in well-being among the three boatloads of Americans will simply widen. Alternately, he wonders if persons on the rising boat will be so affected by their relative well-being that eventually they will throw elastic lines of support to those on the sinking boats, thereby drawing the disadvantaged towards (but not up to) their higher standards of living. Again, he questions if those on the sinking ships, obviously in the majority, will become so stirred by their dire experiences and prospects that soon they will toss political ropes over the bow of the rising craft and commandeer a free lift, albeit to a still relatively low standard of living.

Reich raises the issues but cannot settle the quandaries. Nevertheless, his book reaches an important conclusion. Even if the boats were to be lashed together with educational and health services, public infrastructures, and transfer payments, it is only an American society that can be salvaged. The American economy as a meaningful entity disappears in the break-up of the big national ship. Ironically, just as on Love Boat, Americans have been too busy mingling and satisfying themselves on the upper decks to notice the global wave that has categorized them from beneath.

The Work of Nations stands alone. More scenario than science, more persuasion than demonstration, and more person- than system-oriented, Reich's book explores national oneness in economic and socio-political spheres where there is increasing specialization and trade. To establish his setting, Reich first goes back to the 17th century where he believes the determinants of the well-being of one citizen were judged separate from those of others and from those of the nation of residence. Man powered his own advance. Reich then moves on to the 19th century where he finds individual well-being rests upon worker specialization and an exchange of output. Moreover, nation-citizen interdependence is taken to rest upon the politics of trade intervention and upon the manufacturing directives of national defense. This was the boat-building era of economic nationalism in both Europe and North America. Reich next looks to the 20th century where, by mid-century, he sees the giant "core corporations" integrating the economic and political lives of citizens and harmonizing them with the economic and socio-political well-being of the nation. This was the one-boat period in the history of the American economy. From this apex of interdependence, Reich looks down upon a retreat from oneness that developed in the 1970s and 1980s. In those decades, he sees the well-being of individuals in fact becoming

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as closely linked to that of foreign citizens and businesses as to that of institutions at home. American corporations grow into "international" entities favoring economic winners, while political unity concentrates more attention on the rescue of economic losers than ever before. This is the America of several-boats, an America that Reich thinks is already essentially in place.

The period of dominance of American corporations in economic, social, and political life is obviously brief compared to the four-century evolution of oneness that Reich traces. Still, the era of the core corporation receives an extended emphasis in his book. This is not because Reich has a unique historical conception to offer. In fact, the picture he advances of the American economy in the 1950s and 1960s is the one usually associated with John Kenneth Galbraith and *The New Industrial State* (1987). Oddly, Reich makes no acknowledgment. Reich focuses on the 1950s and 1960s to emphasize that the core corporations constituted the most powerful harmonizing force ever seen in America. Some 500 corporations produced about half the nation's output and reached out through suppliers, services, and distributors to dominate what they did not directly control. To suit their own advantages, these corporations fitted technology to the lowest common denominator of inputs, particularly to "standardized labor", and fitted products to the largest number of consumers or, when advantages of the supply of resources and of the scale of production demanded, fitted consumers to products via persuasive advertising, product design, and price manipulation. Such non-price competition cleared mass markets for both resources and outputs. Outreach to the international economy through trade was relatively limited, but what little there was flowed through and was managed by the core corporations. Even the federal government tried to support the corporate sector by an Employment Act. It also attempted to control inflation and fight recession, the latter typically in rearguard fashion. Together with state and local governments, the federal government built needed roads and other infrastructures with general influence. For their part, the lower-level governments concentrated on educating the work force to a minimal level of competence and joined with the federal government to attend to various economic losers cast aside in the process of growth. Despite some serious inequities, Americans in these years were economic winners. As principles-of-economics texts of the time noted, there was an astonishing harmony between the goods and services Americans wanted and would pay for and the goods and services which technological know-how and resources made American enterprises best at producing.

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For Reich, two summary characteristics of the fifties and sixties merit underlining. First, even outside the corporations, there was a widely-recognized interdependence of individual and national well-being and a consequent integration of economic and socio-political interests. Both the economy and the society were seen as closed systems. Accordingly, health in the American corporation registered health in the American economy. Health in the American economy pointed to health in the American society. America was in one big boat in which living levels were pulled up and apportioned from within and for which fueling from the outside was insignificant. Second, the images impressed upon American individuals, businesses, bureaucracies, and politicians during this period had a half-life so long that they would prevail long after becoming irrelevant. In the seventies and eighties, this anachronism became manifest.

The movement from a "big national boat" to "several boats" is cast as taking some twenty to thirty years. Reading through *The Work of Nations*, the time for separation seems much shorter. Perhaps because of his metaphorical thread, Reich has offered little more than the essentials of this transition. Alternatively, maybe there is not that much to say about running aground. More likely, being unduly sensitive to "the reader eager for the plot to thicken," Reich simply wants to hurry on to the principal novelty in his book, the symbolic analyst.

En route to the boat of the analysts, Reich takes time to reflect on two influences which have interacted to undermine the rule of the American core corporation and which have set the stage or the web which is till replacing it. Initially, "it was only a matter of time before manufacturing know-how, arching out into the postwar world, would come around full circle to where it began, like a giant boomerang". Within a "scant two decades," indeed, American know-how returned to the United States. It came back imbedded in "high-volume... standard goods" produced abroad more cheaply and "sometimes at higher levels of quality" than were their American forerunners. Secondly, because of "emerging efficiencies in global transportation and marketing," foreign products could be delivered to Americans at prices that fell outside the tolerances of consumer loyalty to the products of the domestic high-volume production lines. As a result, "fierce" competition replaced price setting in domestic markets. America's big boat was on sand and its break-up was made imminent.

Reich's conception of the competition which destroyed the American core corporation puts *The Work of Nations* on the crumbly edges of economics. Early in his book, the vigorous competition of

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manufacturers "against one another, adding capacity and cutting prices" is asserted to be responsible for "profit margins [that] remain too slim to keep the businesses going". Later, and after time for consideration, Reich still speaks of a "[perfect competition – the economist's Rosetta stone – [which] eventually strips away all profits, causing even the best of businesses to fold." Indeed, when American producers "successfully match... foreign costs of production," Reich says they are yet unable to earn profits that can sustain operations. Regardless of the price a domestic corporation may charge, "foreign producers can always lure away customers by charging a still lower price and settling for an even smaller return." Finally, Reich notes that the core corporations survived only as long as they could "avoid ... the harsh winds of competition". When the barriers to entry from proprietary technology failed, the core corporation was exposed to the heavy weather which would take it under.

Although neither the concept of competition nor the account of the grounding of the big boat is satisfying, Reich is convincing in his expectation that counter-productive reactions are likely to follow the stranding. Corporations first seek protection from the "unfair" practices of passing foreign traders. They want a "level" sea for playing. Next, corporations "rationalize" their total operations by cost-cutting at home and out-sourcing abroad. In a spin-off from better times, the core corporations also enlist the support of the U.S. government, of governors and mayors, of the business press, and of luminaries like the United States Trade Representative and even the President. From the U.S. government, they seek and usually win a cheaper dollar, Super 301s, and a national promotion of exports. From governors and mayors, they, and foreign-owned corporations who produce in the U.S., secure promises of tax abatements, fewer services, infrastructure, and debt guarantees. From the business press, they get support in "perpetualiz[ing] the vestigial notion of centralized ownership and control." Through the Trade Representative, the corporations score points for opening foreign markets to companies that already may channel only portions of their earnings back to the U.S. From the President, they bargain for spurs to savings of the well-to-do so that these can be invested in the no-longer truly American businesses. For Reich, these varied appeals and responses are misdirected. In spite of its outreach at home, the American corporation is "becoming disconnected from America." Advantages afforded global corporations headquartered in America no longer assure advantages for American society. "That the strength of the American economy is synonymous with the profitability and produc-

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tivity of American corporations [has become] an axiom on the brink of anachronism."

While captive constituencies are able to slow the inevitable, the big national ship finally does break up. As it does, the oneness that marked the era of the 1950s and 1960s disintegrates. But, in Reich's perspective, most Americans were so overwhelmed by inertia and corporate propaganda that they lingered above decks into the seventies and eighties despite their ship's serious listing. Though they sense that the economy neither moves incomes upward as it did nor distributes income in prior ways, they are inclined to keep ministering to what are ostensibly American corporations. Nevertheless, the repeated failures of remedial action gradually undercut confidence. People finally slip away from big economic hulks and a transition to a new economic arrangement gets under way. The transformation, says Reich, is far from smooth.

The movement from the grounded boat to the several boats is presaged by the shifting of the core corporations from high-volume to high-value lines of production and by their total restructuring to meet their new function. Corporations turn from mass markets to niches of particular preference. Instead of buying facilities and hiring employees, they organize networks and contracts. Webs replace pyramids and these ebb and flow horizontally as dictated by the stream of problems to be serviced. Corporations headquarter in one country and team all over the world. The more problems that are identified, solved, and brokered, the better the informal network of nodules becomes at handling other and more challenging problems. In the nodules, profits are earned, not from products, but from the service of "continuous discovery of new linkages between solutions and needs".

At the opening of the third section of the book, "The Rise of the Symbolic Analyst," the nation-ship has been abandoned, Americans are separated in their three smaller boats, and they are too far out at sea for sight of their old shores. One boat carries routine production workers. Its passengers are the least jubilant of the three groups. These are the people who have or seek employment in high-volume standardized production lines operated by foreign- or domestic-based corporations. They are in competition with similarly capable working groups world-wide. Accordingly, for Reich, their opportunities are shrinking. Indeed, relative to the well-being manifest in the other boats, this boat appears to be sinking. Reich spends little time on it.

Reich's second boat carries in-person servers. There is more hope in this boat than in the first. As long as any of America's small

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boats rise, the call for in-person servers will grow. But, the relative well-being of these workers lags well behind that of those for whom they work. Once more, Reich sees competition holding people down. Although in-person servers are sheltered from global competition, they compete with routine production workers who jump overboard and generally with all those in America who have limited capacities and few options. However, Reich passes quickly toward the third boat. He must take a big step up for, relative to the second boat, the well-being on board is rising.

Although only about one-fifth of American workers are in the third boat, this is the one Reich has been the most anxious to reach and where he stays the longest. This is the vessel carrying symbolic analysts. Reich believes that these people are at the heart of the "new economy – replete unidentified problems, unknown solutions, and untried means of putting them together." They manipulate symbols – data, words, oral and visual representations. They are formally trained to use analytical skills and to "draw upon established bodies of knowledge with the flick of a computer key." The more problems they experience, the more competent at problem-identifying and problem-solving they become. Their services fit into business webs world-wide. Symbolic analysts go anywhere. They are international in outlook. Wherever involved, symbolic analysts are well remunerated. Importantly, they are paid for neither the time they put in nor the quantity of "work" they put out. Rather, remuneration ties to the "quality, originality, cleverness, and, occasionally, speed with which they solve, identify, or broker new problems." The symbolic analysts on the upper decks of the boat may "have difficulty keeping track of all their earnings." Indeed, in Reich's view, "never before in history has opulence on such a scale been gained by people who have earned it, and done so legally."

Henry Thomassen

Cloak and Gavel: FBI Wiretaps, Bugs, Informers, and the Supreme Court
Alexander Charns
University of Illinois Press, 1992

The Administration versus the Courts

On June 26, 1968, President Lyndon Johnson announced the

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retirement of Chief Justice Earl Warren. Johnson nominated Associate Justice Abe Fortas to replace Warren as Chief, and Homer Thornberry to fill Fortas' Associateship.

Fortas soon found himself out-of-doors in an electrical storm, flying Franklin's kite. One charge after another generated in the cloudy atmosphere of that year, a time of both campus and urban violence, of political assassination, counter-cultural defiance of middle America's way of life, and middle America's increasing frustration over bad war news – one electrical charge after another hit this convenient conductor. He was assailed as a lame duck appointment, a threat to the separation of powers, a crony, a friend of the peddlers of smut, a friend to defense counsel for rapists, interested in expanding the "technicalities" in their armory. By the end of July, with the name "Louis Wolfson" still unknown to public or Senate, it had become clear to many in Washington, the President perhaps among them, that Abe Fortas would never be the Chief Justice of the United States.

Nevertheless, on September 17, the Senate Judiciary Committee voted on the nomination favorably, 11 (8 Democrats and 3 Republicans) in favor, 6 (3 of each party) opposed. One week later, debate began on the floor of the Senate. On the 27th, Senate Republican leader Everett Dirksen, formally a supporter of the nomination, announced his neutrality on the crucial issue of cloture – the vote to end debate and so frustrate a filibuster.

By long-standing Senate rules a motion for cloture must receive two-thirds of the votes cast. On October 1, 1968, twelve Senators absent, the cloture vote required 59 votes out of the 88 cast. It received only 45 "ayes" – a bare majority of those cast – far short of what was needed. Johnson withdrew the nomination of Fortas, and of the luckless Thornberry, the following day.

Alexander Charns' new book is perhaps best seen as a novel contribution to the literature generated by *l'Affair* Fortas. Charns argues that throughout the mid-sixties J. Edgar Hoover and his lengthened shadow, the Federal Bureau of Investigation (FBI), engaged in a systematic effort to undermine the independence of the judiciary in general and of the Supreme Court in particular. He argues, further, that Abe Fortas played a central role in this endeavor, serving as an FBI mole in Supreme Court conferences, and an informant on Court deliberations to his FBI contacts. Charns concludes that it is good that the Senate kept Fortas out of the office of Chief Justice, and "the disclosure in the press of his close connection with Louis Wolfson, a convicted stock manipulator, soon forced him to resign altogether. Charns thinks it a misfortune only that Fortas'

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"greatest improprieties on the Court had not yet come to light – nor would they, in his lifetime." With commendable industry, Charns has brought some of those improprieties to light himself, through years of litigation authorized by the Freedom of Information Act.

There is much of value in the book under review, but a reader ought to be forewarned that this is not a work of disinterested scholarship; it is a pamphlet. Or, rather, Charns does not write as a historian who seeks to piece together an important story from our recent national past, but as an advocate trying to make a case.

In making that case, he is sometimes blind to nuance and context. For example, he does not ask himself how a Hoover–Fortas alliance could have come about. One who hoped to answer such a question might turn first to Fortas' first confirmation hearing before the Senate Judiciary Committee, the hearing by means of which he assumed his seat as an Associate Justice.There may be some insight to be gleaned there. If so, Charns misses it.One brief passage encompasses everything that he wants to say about that hearing:

> At his Senate confirmation hearing, Fortas testified under oath that his friendship with Johnson would not interfere with his work on the Court. He also countered the time-worn charges that he had agreed with the Communists in addition to representing them. Even Senate Judiciary Committee chairman, Dixiecrat James O. Eastland (who was also the head of the Senate Internal Security subcommittee) took no interest in allegations about Fortas' ties to Communists.

That is not an adequate treatment, either of the charges that were made at that hearing or of Fortas' response. Nor does the final sentence of those three imply any especially cogent argument.

It is difficult to imagine what Eastland could have done, how much "interest" he could have expressed, even had he given credence to the worst that was said about his nominee. This was, after all, 1965: Johnson had just won a full term as President in a landslide, and he had made it very clear that he wanted Fortas for this post. Even a modicum of party discipline would have secured a quick confirmation so early in the President's term, and Johnson always exacted a good deal more than a modicum.

So let us turn to the hearing transcript ourselves. On August 5th the Senate Judiciary Committee heard from Marjorie Shearon, a one-time consultant to Senator Robert Taft. At the time of her testi-

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mony, Dr. Shearon was the publisher and editor of *Challenge to Socialism*, a weekly magazine devoted to the critique of welfare and regulatory legislation.

It was Shearon who charged that Fortas was a member of the National Committee for the International Juridical Association (IJA), the object of which was "to protect Communists when they get into trouble with the laws of the United States." In her view the IJA was part of "the great network of Communist fronts which have operated and are still operating in this country."

"Joining was Might Easy"

Fortas appeared before the Committee later that morning. Shearon's charge was considered sufficiently serious to require that the nominee respond. He did so, not by denying that as a young man he had joined the IJA, but by explaining that he had never participated in its activities in any way; "joining was mighty easy, and we were all quick to do it, and I may have said yes, and that is the totality of my connection with it."

It is plausible to suppose that Fortas, like many of the bright young men of his generation, was more sympathetic to Communism, more willing to join with the CPUSA in the "popular front" of the 'thirties, than he was willing to admit in his days of maturity and authority. However one rates that probability, it would seem that, well before 1965, Fortas had adopted an anti-Communist stance; at least as much so as his mentor, Lyndon Johnson. Some members of his generation, those who found "joining mighty easy, became disillusioned with Soviet Communism at the time of the revelation of the Hitler-Stalin pact; some at the murder of Trotsky; some only after the Second World War, when the country to which they looked for inspiration grabbed power and installed puppet regimes throughout Eastern Europe. The catalyst differed, but by 1952 those who had become disillusioned formed the core of a new phenomenon in American politics, "cold-war liberalism." Sidney Hook springs to mind as the most erudite member of this core. Considered as a political force, "cold-war liberalism" gained strength, and American editions of the works of George Orwell and Albert Camus gained in sales.

Hook, Orwell, Camus – each of these three men was a social democrat (to adopt for once the precise European term for most of what Americans usually mean by "liberal") and together such men saw themselves as "the vital center" standing between the dictatorships of the right and of the left, protecting liberal democracy from threats both brown and red. These men were hawks (to adopt of necessity a

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piece of mid-sixties journalistic jargon), who saw that the war against the brown was a thing of the past, but insisted that the war against the red threat must continue until victory, so that the world might be made safe for their ideal of the peaceful and parliamentary redistribution of wealth.

Some readers may want to know what position this reviewer takes as to the merits of that hawkish social democracy. For their benefit, then, let me say that I think all social democracy is wrong, in that it distorts and undermines the system of production on which any hope of fulfilling its promises depends. But Open Politics invites certain contention. If social democracy is an inevitable part of our partisan contentions, then, it is good that some of its advocates have proven to be clearheadedly anti-Communist, and helped to shape or to maintain a policy of containment that, in very recent years and months, has borne fruit.

I should return to the book at hand for a final observation. Charns has a refreshing way of refusing to "hype" his material. He does not try to force upon it more topical immediacy than it will bear, and so he admits that "documented interaction between the bureau and the justices in the post-Hoover era is generally innocuous." What Charns has given us, then, is neither a tract for the moment nor a completed work of history in the classical manner. He has given us a mine for materials that may prove valuable to the historians in generations to follow. For this, he deserves gratitude.

Christopher C. Faille

Dean Acheson and the Making of U.S. Foreign Policy
Douglas Brinkley (Editor)
St. Martin's Press, Inc., New York, 1993

The Truman Era

This book, commemorating the fortieth anniversary of the swearing-in of Dean Acheson as U.S. President Harry Truman's Secretary of State is a compilation of papers presented at a conference held in Washington, D. C. in 1989. It has finally reached light only after a tortured period of publishing woes.

As any compilation in honor of someone, it suffers from focus on a narrow range of topics and a tendency to elevate its subject to something akin to superhuman status. Granted, Dean Acheson played

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an important role in American foreign policy in the post-Second World War period, serving under a President, unskilled in foreign affairs, who had come to the office by accident, through the death of President Franklin D. Roosevelt.

Editor Douglas Brinkley brings together papers by a number of distinguished scholars such as Forrest C. Pogue, who discusses Acheson's relationship with former Secretary of State George C. Marshall, and Nancy Bernkopf Tucker, who focuses on the Acheson plan regarding China in the Cold War. Unfortunately, The commentaries at the conference (which this reviewer attended) are not included, so some of the more interesting concepts and controversies dealing with Acheson's policies are missed, though the authors make some attempt to address them. Was Acheson too hard or too soft on the Soviets? Did the U.S. fail in its policy toward China or was the solution of a non-Communist China beyond U.S. control? Did the Truman-Acheson policy heat up the Cold War or provide a moderate response to Soviet aggression?

The papers as published are well researched and a seven page bibliography is included. This compilation is therefore a useful tool for those studying the views and actions of a key player, Secretary of State Dean Acheson, in the critical period following the end of the Second World War and the beginning of the Cold War.

Donald J. Senese

With Reagan: The Inside Story
Edwin Meese III
Regnery Gateway, Washington, D. C., 1992

Reagan as Seen by a Close Ally

As historians attempt to piece together the story of the Ronald Reagan presidency, memoirs of officials involved in that story play a crucial role, not just their relating events but their perception of their own role and that of the President. Meese makes no pretense of objectivity as he worked closely with Reagan as his Chief of Staff in the Governor's Mansion in California for eight years, and then served during the Reagan Presidency as Counsel to the President (19811985) and Attorney General (1985-1988). His book provides a good insider view of the Reagan Administration.

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Author Meese traces the emergence of Reagan as a political leader and presidential nominee and discusses in detail the preparation for governing after Reagan defeated incumbent President Jimmy Carter in 1980. Meese's contribution is significant for the Reagan legacy as describes the triumph of Reaganomics, the rebuilding of U.S. defenses, the defeat of Soviet Communism, the foreign policy crises (including Iran and Nicaragua), and lasting reforms of the Reagan presidency. Whether critic or supporter of Reagan, the reader will find a good summary of the Reagan record presented by someone who was there with the captain of the ship and helped to steer its passage through the difficult waters of public policy.

Donald J. Senese

New Silk Roads: East Asia and World Textile Markets
Kym Anderson (Editor)
Cambridge University Press, Cambridge, 1992

The Growing Chinese Impact on World Trade

The Silk Road of the old Roman Empire and the Han Dynasty in China two thousand years ago linked the West and the East in important contacts for trade, culture, religion, and knowledge. The editor notes that the changing pattern of production and international trade in such items as textiles, clothing, and fibres represents a classic study of an interdependent world economy, especially with respect to the relative role over the past decades of the East Asian manufacturing countries: "For centuries before that, Asia supplied the textile manufacturers of Europe with natural fibres, including silk from East Asia along the route known as the Silk Road. Today East Asia exports virtually no natural fibres and instead has become the most important region of the world both as an importer of raw cotton and wool and as an exporter of manufactured textile products and clothing."

The editor has attempted to cover the broader question of whether the advanced industrial countries will allow less developed countries to export their way out of poverty or whether high-wage countries will feel obliged to stifle them by raising import barriers.

The lesson from Asia is that textile manufacture declines in importance as a nation moves from agrarian to a more industrial economy. Considering the size and growing involvement of China in the international economy, China may not follow the path of its industrialized neighbors. There is real uncertainty as to how all the factors will come together in the 1990s.

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An extensive appendix and bibliography covering world trade in textiles adds to the usefulness of the book for specialists. However, the main interest to the general reader will be its implications as to the changing nature of world economic development. The New Silk Road is much broader than the Old Silk Road.

Donald J. Senese

Dimensions of Law in the Service of Order:
Origins of the Federal Income Tax (1861-1913)
Robert Stanley
Oxford University Press, New York (1993)

Income tax has long been seen both by those who favor the political measures for the equalization of wealth and those who oppose them not merely as a measure of raising income for the government but primarily as a means of wealth redistribution. Today it is clearly the focus of political interest groups and plays a major role in redistributive politics. Nevertheless, author Stanley argues, it did not begin that way.

Stanley sees the introduction of income tax into the U.S. as an outcome of the cost to the North of its war to prevent the Southern states from exercising their right to secede from the Union, membership of which they had always understood to be voluntary. The former taxes had been primarily based on tariffs, which were levied at low rates and fell equally on all consumers.

Any attempt by the North to raise the tariffs to levels sufficient to meet the expenses of the war against the South would have met with strong and widespread opposition. Consequently, the introduction of income tax by the Union government was an act conducted by the most powerful segments of a highly stratified society. It was not the product of any movement by lower income groups or even by politicians seeking to win the support of the multitude against the few.

Only some time after the end of the War Between the States did income tax, and especially progressive income tax, come to be used as a deliberate political measure to redistribute wealth. The author provides an effective and enlightening account of the political and legal measures by which this was achieved. His title implies a certain partisanship, but the history he records is nevertheless entertaining and highly educative.

William B. Edwards

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Will America Drown?

Immigration and the Third World Population Explosion

Editor: Humphrey Dalton

"Massive illegal immigration will continue as long as the Federal Government continues to reward it ... providing incentives to illegal immigrants to violate U.S. immigration laws ... Two-thirds of all the babies born in Los Angeles County are born to illegal immigrant parents.

PETE WILSON *Governor of California*

The unprecedented population explosion in the Third World today threatens to swamp the U.S. with illegal immigrants attracted by the U.S. "welfare magnet." This book reveals the facts about the mounting tide of international migrants, and tells how illegal immigration *can* be controlled.

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